[श्री नवल किशोर]

को मुझे उम्मीद है कि हम जनरल बजट और एप्रोप्रिएशन बिल भी पास कर देंगे। इसलिए मैं समझता हूं कि शनिवार को बैठने की कोई आवश्यकता नहीं है। मुझे यकीन है कि श्री ओम् मेहता, जो व्हिप है, इस बात से इत्तिफाक करेंगे और सदन भी इस बात को मानेगा। इसलिए मैं समझता हूं कि शनिवार की जो बैठक है वह आवश्यक नहीं है।

THE MINISTER OF STATE IN THE DEPARTMENT OF PARLIAMENTARY AFFAIRS AND IN THE MINISTRY OF SHIPPING AND TRANSPORTS (SHRI CM MEHTA) : I am ihankful to the hon. Members that they have finished Railway Budget a day earlier. If all the Members agree, 1 have no objection to the suggestion that we may have the General Budget to-day and on 28th and 29th and the reply on 30th and after that we take up and pass the Vote on Account. Tomorrow is a holiday and Friday is non-official day. If Members agree to this time-table, I agree and have no objection.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : What is the opinion of the hon. Memhers ?

HON. MEMBERS : We agree.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : The House agrees wiih your suggestion. We will not sit on Saturday as it was notified earlier. We now take up the General Budget.

THE BUDGET (GENERAL) 1972-73— *General Discussion*

SHRI T. CHENGALVAROYAN (Tamil Nadu) : Sir, I deem it a great privilege and high honour to take part in the discussion of the General Budget. The honour I relish it all the more^because this will be the last occasion when I will have the privilege to address this august House. The hon. Finance Minister has presented to this House and to the nation a mammoth Budget of Rs. 7,873 crores. In so doing he has •endered an elegant essay on the national lbjcctives and the ideals that we have to jursue. I find a peculiar feature of this year's Budget. It is retrospective. It is perspective. It is circumspective. It is introspective. It is retrospective to know the pitfalls of the past. It is perspective to know the problems of the present. It is circumspective to know the limits of its sway and it is introspective in order to understand the purification and the dedication. This Budget has been received by ever so many receptions from different quarters. Some are distressed to find it is rather a conservative Budget. Some are disappointed to find that there is no ideological effusions.

Some are dismayed that it contains more philosophical platitudes than economic encounters. But, Sir, as a student of public finance I value this Budget and evaluate it not merely from the point of view of such angles and appreciation but to me, Sir, this Budget is a masterpiece of economic realism harmonising, if I may say so with great respect, progress with stability, growth with justice, diversification with consolidation, implementation with discipline and incentives with checks. I therefore value this Budget as a great effort for the purpose of harmonising the several problems of our economy and in this task I am particularly pleased at the emergence of the Budget in this form and in this pattern.

Sir, our hon. Finance Minister has earned the most enviable distinction over all his predecessors in that Ministry. Some knew how to taise funds ; some knew only how to spend it. In the case of the present Finance Minister he knows how to raise funds and equally how to spend it and spend it wisely. On the whole I find in this Budget there is no fiscal bite nor a political bark. Sir, 1 am particularly pleased when I see the economic survey and I derive considerable solace and comfort that our economy on the whole has retained its vitality and vigour in spite of the most catastrophic circumstances like the colossal problem of the refugees and the Pakistani aggression. Sir, any time it looked as though our economy would lose its gear and fall into the abyss from which it could have been absolutely difficult to lift it. But, Sir, our economy survived the most shivering shocks ; it was because that we had laid the foundations well and true. Sir, it is no flattery—and I do not generally indulge in it when 1 say that it is equally a tribute to

the national leadership of our -Prime Minister and her Government and the dedication of the people in a moment of crisis in our country. Sir, there were several nations, particularly one across the Atlantic which were peeping through the window of their bath room whether our economy would collapse in its stability and in its strength. Our economy has shown its most innate resilience in a challenging situation but nevertheless we find that our economy has to be lifted up by very many levers of application, adoption and assimilation and I find that this Budget makes a very sincere, and if i may say so with great respect, a daring effort to use such levers for uplifting our economy. Sir, our economy today is comfortable because we find our foreign exchange reserve is in tact, our food stock is very comfortable, our industrial output is satisfactory, though in the field of control of rise in prices we have not been very successful however much we wanted it to be. Therefore I find that on the whole our economy is on an even keel so that we can make a gigantic effort for growth, an evangelical endeavour for social justice and a dogged determination for self-reliance. Mr. Vice-Chairman, I am particularly fascinated with the very noble and notable objects and ideals of this Budget which the hon. Finance Minister has set not only for himself and the Government but more so for our nation. These ideals and objectives by themselves form a holy trinity as it were and they rise far above the party prejudices and political hostility. I particularly value the fact that there is an accent on growth, there is an emphasis on social justice.

There is stress on self-reliance. < These three ideals are so stimulating, not only in their appeal, not only in their attraction, but much more so in giving a challenge to the energy and enthusiasm of our great people. Sir, the objective of this growth is so much not merely familiar to us but much more so intimate with us that we have been finding it dear to pursue and cope up with it for, 1 know, Sir, our economy has got a built-in strength to always sustain a faster and a higher rate of growth. But unfortunately, Sir, some event, some crisis, some calamity, overtakes us with the result that we are not able to catch up the growth momentum. If I may say so by way of illustration, Sir, like ths proverbial frog in the well, we ascend one step but fall two steps, with the result that we are not able to catch up the growth momentum. It therefore becomes very necessary—and this Budget makes handsome reference to this very important position in our economy—that we have to gird up our loins and lift up our sleeves in order to have a faster and faster and a higher rate of growth. Sir, the rate of growth that we have been watching in the last decade of our development has not been satisfactory due to a variety of causes, the cause of uncertainties and of imponderables, that no Government could have possibly taken into account. But, nevertheless, I feel that the budgetary effort for this year has been more pronounced. In order to get the accent on growth we have to achieve this target of 7% increase in our National Product based upon a 5% increase in agricultural production and a 9% increase in industrial output. I appeal to the hon. Finance Minister that he must have a perspective of nearly ten years by which this rate of growth should be accelerated to much more than a 7% increase. There is the important emphasis for social justice. To us social justice is not merely a political question. It is more a question of economic inspiration for greater and greater output by all sections of our people, and I am sure, Sir, that this Budget makes very ample and adequate provision for the equalisation of opportunities to all and for the reduction of inequalities of wealth, of income and of economic power. This emphasis on social justici gives an overtone to the effort of fisca endeavour in the nature of our economy Sir, we know in this connection that Dt Erhard of West Germany abandoned a' concept of social justice. What mattere to him was merely a higher and higher, faster and fasier rate of growth. Britai on the other hand was very much anxioi to pursue a policy of social justice an never cared so much for a higher rate ar a faster rate of growth. But, Sir, in oi country we cannot pursue the one at tl cost of the other, and I am pleased that tl Budget provision makes a grand harmoi with growth and with justice.

Sir, 1 find a particular satisfaction w regard to the question of what we may c the stress on self-reliance. Sir, the str on self-rliance is not of recent origin

[Shri T. Changalvarayan] inspiration. Ever since we began the era of development under planned endeavour, we wanted to have this goal in our mind and wanted to pursue it. Sir, self-reliance, negatively speaking, is freedom from foreign dependence, and positively it means generating domestic capacities in order to sustain the rate of growth. Sir, we must therefore understand the limits and the requirements of adopting the doctrine of self-reliance in our economy. Sir, there must be a consensus on the minimum standard of living in our country and a resolution to uplift that standard year by year with the growth momentum.

What do we find in our country ? Do we find standard of living ? I may be pardoned when I say that in our country mostly it is not a case of standard of living. It is a case of standard of dying. Therefore, it behoves us to accept this doctrine and this determination of self-reliance in order to lift the economy to commanding heights of performance. 1 may also refer to what, in all such cases, economists call the micro considerations for micro economic ends. If there is any time for such micro economic considerations, I submit with great respect, this is the time and I most respectfully commend for the very kind consideration of the hon. Finance Minister that this doctrine of self-reliance has to be worked most delicately and at the same time most resolutely. I must also bring to the kind notice of this House the broad outlays of this Budget. True to the traditional way of framing the Budget, the outlays in a Budget must necessarily follow the outlines of its objectives. As 1 come to the outlays of this Budget I find that it conforms to the commitments of the Budget which has been indicated by the three objectives of growth, social justice and of self-reliance. May I first take the outlay in the Budget with a big commitment of a very great and of a very glorious character ? This outlay consists of our commitment to aid Bangla Desh. And when I refer to this commitment, I recall to myself and I hope you will permit me to recall to this House as wel[the great task and the great part that our country played in the Bangla Desh crisis, how we applauded and approved their liberation druggie, how we have borne the burden of the huge, colossal refugee influx, how on :rea.t prirne Minister went to the different capitals of different nations in order to rouse the conscience of the international community, how they have let us down so miserably, how our Armed Forces discharged their formidable task with a glory and grandeur unknown in contemporary history, how Bangla Desh was born after all these *ante-natal* pains and pangs and how we hive taken our humble and yet decisive part in this great struggle. I recall these things not so much for self-edification or for the glorification of our country, but much more so in the context of the Budget outlay of nearly Rs. 200 crores to meet the aid programme for Bangla Desh, another Rs. 200 crores for purpose of rehabilitation and another huge sum for the purpose of military effort totalling Rs. 700 crores on this account. The Budget provides for this outlay and T have no doubt whatsoever in my mind that this country and the people of this country will not only not grudge to accept this commitment but even discharge it with cheer and great confidence. I am also fascinated with the outlay in the Budget for our Plan. Besides these, Rs. 700 crores have been shown as the outlay on the Plan which stimulates 22 per cent increase. The outlay on the Plan includes nearly Rs. 125 crores for the earmarked programmes of electrification and rural water supply and for unemployment relief. I am glad to say that such a provision is not only daring but laudable in the context of our country's present position. I am also pleased with the resolution that h disclosed in the Budget that there is going to be greater and higher outlay on our public undertakings. It is one of the cardinal principles of public finance that whenever Government enters in a colossal way as a leader of investment, that acts as a catalyst for industrial growth and expansion. And therefore I respectfully commend this higher outlay with regard to our public undertakings. But Sir, there is this question asked—and asked with geniue doubt—whether such a colossal outlay on the different parts of our economy and life could well be spent within the year. Ordinarily speaking, I would not have venture! a satisfactory answer because sometime back the States' performance, their lethargy and their preoccupation were such that they were only concerned with their political survival and not with the performance of their economic duties. But, thank God, we have now a changed climate and condition in the

States where a political homogeneity has been obtained, and if this political homogeneity is utilised wisely and timely with programmatic perseverence to push through all these budgetary programmes, I have no doubt in my mind that within the short span of the year remaining, we will be able to absorb and require much more than what we have laid down in this Budget.

May I pass on, with your leave, to consider the question of taxation in regard to this Budget ? As [said, the fiscal bite was very little and practically nothing. Never-the less, a budget is not a Budget if there is no taxation, and the hon. Finance Minister was content himself in levying direct tax com ponent of Rs. 24 crores in a full year in relation to the total tax effort. That, I submit, is very modest and very meagre though as per the Wanchoo Committee's Report and recommendations the sting may be in the tail hereafter to be known. But we shall not now anticipate how that will be. But all the same, 1 am satisfied that with reference to the need for raising resources by direct taxation, there has been a circumspection which is very rare in such Budgets— that they do not want to raise more than what is absolutedy necessary. Sir, I am satisfied that a new innovation has struck the hon. Finance Minister and that is why 1 said that he is a wizard in raising funds he roped in the income from lottery prizes, and I should think that taxation on such income is neither objectionable in principle nor harsh in its impact.

So far as the corporate tax is concerned, there has been some criticism that the hon. Finance Minister has been very soft towards it. But may 1 give an explanation, if not a justification, why it has not been so fiscally severe upon the corporate sector ? Sir, we are aware of the widespread feeling that in the matter of corporate taxation, when it has reached a fairly high level, it has a very strangulating effect upon the further performance of several industries. Sir, the Finance Minister ought to balance the two views—one to raise the corporate tax, thereby making the corporate sectors not really diversified and intensified in performance and thereby increasing the potential of unemployment, or rather not to give it that much trouble and allow it to intensify and diversify the industries and make more employment possible. I am sure that the corporate sector with its pariotic tradition will rise to the occasion and utilise the tax respite that has been given to it in trying to intensify and diversify its industrial performance and increase the employment potential.

Sir, there is this levy on fertilisers and pumpsets. 1 am sure, if the hon. Finance Minister had come out with this proposal some three or four years back, he would have been considered outrageous and out-landish and the opposition to that levy would have been enormous and would have even been the most daring and undaunted threat. And he could not have withstood the onslaught by such an opposition. But today what is it that we find ? There has been a survey with regard to the effects of improvement in our rual sector, particularly in regard to the farm income. 3 P.M. It is estimated by experts who have surveyed this question that Rs. 16,000 crores are earned in farm income and they go without any taxation burden. >ir, in the name of giving equalisation in respect of every other matter this levy on fertiliser and pump sets is in that direction of trying to bring this huge untaxed income within the net of taxation. I am sure this will not be considered to be harsh. But it is a very delicate weapon and it must be dexterously used. I have no doubt that the hon'bk Finance Minister, who has used very man} weapons for many things, will use thi: weapon equally very carefully and with gre; profit.

There has been levy on steel. It ha been very much agitated that it will hamoe our engineering and other allied industry Sir, I again find an explanation to this lev in the case of the hon'ble Finin:e Ministe Steel is a commodity which commands very great and very attractive premium . the open maket. Then why should not M Chavan's exchequer demand a shaie of it But I think that this levy on the steel w not go to the extent of hampering our en neering and other allied industry. O.i t other hand, it will give something to t exchequer for further and better purpos Therefore, Sir, I find that on the wh the taxation scheme underlying this Bud

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is neither harsh nor hard. But it has been very helpful and it depends upon the developing circumstances in the future how this kind of taxation scheme would certainly give a momentum to our economy.

Sir, may I then step on, with your leave, to consider that as a result of this what are the responsibilities that we have taken on hand, and particularly the Government has taken on hand ? I realise Sir, that the Govern nment by this Budget has taken very many heavy responsibilities. They have undertaken to expand the scheme of performance of public undertakings. They have undertaken to expand for the purpose of rural electrification and water supply, to expand primary education and overcoming malnutrition. They have undertaken ever so many reliefs and crash programmes for relief of unemployment. Though it is a token outlay it is to expand in ever-expanding circles. These are tremendous responsibilities that sven the broad shoulders and the strong irms of Mr. Chavan could not endure long !o bear. But, 1 am sure, Sir, that in this jigantic task and in this stupendous respon-libility that this Budget has thrown, not >nly upon the Government but also upon he people of this great country, it will be >orne with cheer and with courage.

Sir, there is one responsibility of which may very respectfully remind the hon'ble inance Minister because considering the uge and heavy responsibility on public ictor and for the other purposes it may ave a tendency, as economists fear, for ving rise to inflationary pressures.

Sir, I am not afraid of any deficit tance. In fact, the Government which has ;ficit financing, is a purposeful gevernment, meaningful government and has got a ogramme to discharge an end to hieve. But, Sir, may I most respectfully hg to the notice of the Finance Minister it the limits of deficit financing should t be transgressed in order that we may lid inflationary tendencies, and if once ationary tendencies get into our economy our talk of growth, of our desire for ial justice, of our resolutions for becom- self-reliant will be shattered. Therefore, he very interest of achieving the objee- s of the Budget I beg of the Finance lister to|be very circumspective and to ! proper time and care to see that the inflationary tendencies do not show their head in any part of our economic endeavour. Sir, I must bring to your kind notice that all these responsibilities make us rather apprehensive of the situation that may develop in this country. Sir, I have every confidence within myself and I am sure the House will have the same confidence that we will survive all these difficulties. India has the reputation, and we have the reputation, of overcoming great and grave crises. Sir, we passed through dark forests, we climbed high hills, we went down deep valleys; in scorching sun and in dreching rain we marched on. We know that our march was long and arduous. I think, Sir, we have come to the last lap of our long march. There is only one more m'lestone to reach. But this is steep, this is strenuous this is very difficult, this is very challenging, this is tiresome and this is exciting. I have no doubt, Sir, that the great economic foundations that the labours of so many years have laid will give us that strength, that steam and that stamina to stand up to the occasion and give the performance of the Budget. We have to work hard and we have to pay the price for the achievement of these objectives. Let us pay it cheerfully. We have to suffer long. Let us endure it with courage. We have to work hard. Let us work with faith.

One word more and 1 have done. Sir, the public and the people of our country have given a new mandate which is not only massive but, to me, meanigful. They have understood the problems of the present. They have appreciated the programmatic approach to solve those problems. People who have given us this verdict will stand by us and this Budget, with some improvement, modification and refinement, will certainly open up a new chapter. Sir, after the recent crises, everyone of us feels that nobody is safe unless we are prepared to work for this great country. We have come to this resolution, Sir, that who lives if India dies and who dies if India lives ? We shall make India live long, as long as the Himalayas stand, as long as the sun shines and the stars twinkle, as long as the blue waves wash our shores. With these words, Sir, I have very great pleasure in lending my full and whole-hearted support to this Budget. May I pray to God, in this great dispensation our country will pass and emerge out of the present difficulties into a

new Heaven of prosperity, peace and progress.

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) : We all say Amen to your prayers.

SHRI RAJENDRA PRATAP SINHA (Bihar) : Mr. Vice-Chairman, Sir, it was a great pleasure to listen to my learned friend, Mr. Chengalvarayan. He has expounded the Budget in the most lucid term! and I welcome his speech very much. Sir, the Finance Minister, I must say, this year has done a fine job in the management of our economy. The year that is now drawing to a close has been one of the most difficult years after independence. But at the same time, it will go down as the most glorious year in the annals of our history. Sir, we were not only burdened with 10 million refugees but a war was forced upon us. And under the great leadership of the Prime Minister this country has won not only the war, but also the peace. But the sinews of war had to be provided by the economy and I am glad that the economic management was so good that not only were our gallant forces provided with the wherewithals, but the economy was kept on an even keel. In spite of the stresses and strains of giving shelter and providing food to the ten million refugees and in spite of a very costly war, we have found that the prices in this country have not risen appreciably high. They were within manageable limits. In the past we found that on such occasions the prices went up very high. But what did we find last year ? The prices went up only by 3.8 per cent whereas the national income went up by 4 per cent. So the prices and the national income both were more or less at the same level as in the previous year. What was apprehended was that because of the stresses and strains of the refugee relief and the war the economy would go out of gear. Therefore, I say that the Finance Minister deserves all our praise that he managed the economy so well. In spite of the fact that the money supply has gee up, with the management controls, <*1*>*h* the Reserve Bank credit policy, the prices were kept under control. I particularly appreciate the fact that the Finance Minister came with two Supplementary Budgets last year in order to raise the necessary resources which has kept down our deficit financing to reasonable limits. Now I find that we are closing the current year with a deficit of only Rs. 385 crores and if these Budgets had not been brought before the House—the two Supplementary Budgets—there would have been a far greater deficit. Therefore, I say that the management of the economy was excellent.

Now I would like to examine the Budget from three angles : growth, stability and self-reliance. Looking at the Budget from the growth angle, I find that the Finance Minister has done an excellent job in providing for a very much enlarged plan outlay. The total plan outlay including the State and the Centre will go up by Rs. 710 crores whereas the plan Budget of the Centre alone is going up by one-fourth as he said in his Speech, and I find that the Finance Minister is quite correct that this was going to act as a great catalyst to **our** economic growth. In the past we have seen that whenever our capital outlay or plan outlay was greater, then the growth of the economy was substantial and rapid. Whenever our plan outlay has gone down, the economic growth has slumped. Therefore what I feel is that this was a necessary dose in order to give a spurt to our industrial growth and I am definite that with this outlay the industrial revival would take place and will be, if not more, at least double the growth attained in the industrial sector in the current year.

You will find that there has been some criticism that the tax on the corporate sector would inhibit expansion. I do not hold that view and I am strengthened in my opposite view because of the behaviour of the barometer, namely, the stock exchange. The slock exchange has been booming ever since the presentation of this budget. What has the Finance Minister done to the corporate sector ? He has only removed 5 per cent facility from the priority industry and raised the surcharge from the corporate sector from 2-1/2 to 5 per cent. As a matter of fact the economy of the corporate sector was such that it could have born; heavier burden and as a matter of fact it was expecting heavier, bwden. Considering the case with which it lias been let off, I think that sector will

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get enough surpluses in order to plough back for the expansion.

This capital outlay of this order will not only encourage the industrial sector in the public sector, but also will go a long way to boost up the private sector. In the past, as I said, experience has been that the growth of private sector is entirely dependent upon the growth of public sector. There fore, I feel that the capital outlay will do the trick so far industrial sector is concerned. We were concerned with growth of the industrial sector because in the last two-three years it has not been proceeding according *to* our plan.

This growth is tempered with justice and I am very happy that the Finance Minister has provided Rs. 240 crores for social welfare with future growth potential. The provision he has made particularly for the rural drinking water is very welcome indeed. We have been pleading in this House for some time for providing at least ;lean water to the people in the rural areas, v This programme will go a long way to solve the problem of water supoly in the rural areas. Then he has doubled up practically all the other schemes for the rural sector particularly for the farmers' development agency, for the marginal farmers and agricultural labour and nutrition programme for children. All these programmes have been doubled up. My only point, Sir, is that his hope that all these Plan provisions would be utilised will come true, because the experience in the past two years has very bad that all the provisions for such development have not been made use of and they have lapsed and I do hope that, with the new governments in the States which are going to be established, they will be able to take due care to see that all these programmes are properly implemented.

Now, Sir, coming to the question of stability, as I have just now pointed out, the price rise has been not of a very high order, but it is only within the reasonable limit of 3.8%. Now, with the rise in the national income, this does not hurt the economy. Our food position is very satisfactory and with the huge stocks that are with *the* government, in the Government stores, it will have a healthy effect on the prices. Now, the Finance Minister has been very judicious in the imposition of the excise duty and he has not touch any item which goes to form the working class consumer price index. He has only put excise duty *on* what we call luxury items which do not go to form the basic necessities of the peopie. Therefore, Sir, what I feel is that the prices would remain steady and in spite of the fact that he has again left a gap of Rs. 240 crores, it will not have a bad effect upon the prices. On this point Sir, I would like to make one observation. We have got to bring down the food prices. Unless the food prices in this country are brought down, I do not think that we shall succeed in lowering the all-ronnd price rise. Now, Sir, the support price which we are giving to food is quite high. I am not opposed to the concept of giving higher incomes to the farmers. But, gradually we should try to bring down the food prices because the high food prices are causing incalculable damage and loss to the economy as a whole.

The Finance Minister has pointed out the problems that now they are having for raising the finances for doing the procurement work. Now, unless the prices of food are brought down, the prices of the manufactured commodities cannot come down. You will find that in the past the food prices used to be lower than manufactured commodities prices. Now, it is just the reverse. The food prices are higher and the prices of the manufactured commodities are lower and what is happening is that gradually the prices of the manufactured commodities are going up to catch up with the food prices. This is a moot point for the Finance Minister to examine whether to allow all those prices to go up gradually to catch up with the food prices or to start to bring down the food prices gradually so that the prices of the manufactured commodities can also be kept down. This is a point, Sir, which 1 would like the Finance Minister to consider so that in the future, at least in a small way. we can start lowering the support prices.

Now, Sir, I was talking about excise duty. [am not oppsed to taxing the agricultural sector. As a matter of fact^_ I belieyejjiat_lhg,agricultural

income should be taxed at par with urban income. But what I would like to tax is the higher incomes of the agriculturists. I am opposed to a sort of blanket levy on the inputs of agriculture, because we cannot tax agricultural income. 1 do not subscribe to (his proposition. 1 give an example of the fertilizers tax which has been raised. There is nothing wrong in taxing the agricultural sector as such But we should not forget that the green revolution in agriculture has yet to be consolidated and the fertilizers is also used by the marginal farmers and small farmers. Now, how are we going to safeguard su*h people being taxed for their inputs ? As a matter of fact, if you look to the fertilizers consumption figures, you will find function consumption is going down—The only productivity figure which has gone up appreciably is food —and that, too, wheat. The productivity of rice has not gone up to the same proportion as wheat. The productivity figures in respect of pulses have gone down very low. And if you look to the productivity of other agricultural commodities—you will find all this given in the Economic Survey— these are not very high ; these are moving very slowly ; some items are sta'ic. Now, agricultural experts tell us that even if fertilizers is used with the old seed, the productivity. can be improved. Now, i, therefore, support this proposition of the Finance Minister, to tax the agriculturists. I But the way in which it has been done and i the way in which he has justified an increased tax on fertilizers, I do not agree ; because you are taxing the input which is acquired by a large number of small rind marginal farmers. You should find a way out of this. 1 know that your need is very urgent and you have appointed a committee. But 1 can justify taxing the tractor because tractor is used by the bigger farmers and not by the marginal and small farmers. But not the fertilizers.

Now, about one more levy I would like to say, and that is kerosene. Kerosene is the only item which has been taxed, which goes in the computation of the working class index. I think the kerosene levy should definitely be removed, and I am sure the Finance Minister will consider this. He has provided, on the hand, Rs.100 crores as subsidy for food, and on the other, he is taxing kerosene. These are contradictions Of Indian economy. . .*(Interruption).* 1 think you are taking away the most vital requirement of the poor people—the kero. sene. The only justification you are giving is that it is being misused by being mixed for something else. Yon can heve your ways of checking that, but you cannot tax the poor and fine the poor for the misdeeds of somebody else. Now, therefore, 1 feel that if kerosene duty is removed, the stability in the price will be maintained. There is one more factor so far as this question of stability is concerned. We have got to look to the growth in the agricultural sector. This is very well analysed in the Economic Survey. What we have found is that the *per capita* intake of cereal is going up. But we have to look to the quality of the cereal. Whereas the quality of grains as a whole has gone up, that of pulses has come down. We have got to see the nutrient value of our food as well. The intake of pulses and oil has practically halved. We have got a vast vegetarian population, and even those who are non-vegetarian cannot afford to have non-vegetarian food, pulses are the only nutritive food from which they can draw their proteins. Nothing has happened in the last seven or eight years to improve the production of pulses. S imething has been done with regard to rice. The crash programme on rice will yield result soon. But what 1 think is, with regard to pulses, cotton and oilseeds there must be some crash programme of research. We should not mind any expenditure in employing the scientists and asking them to produce results. If we have succeeded in producing results in wheat and very nearly succeeded in producing results in rice, there is no reason why we should not succeed in the matter of pulses, oilseeds and cotton. All that is necessary is to provide enough money and to engage the scientists. No amount of financial allocation for this work should be grudged because, after evolving the hybrid seed it takes time to multiply and spread it. Anvway, it will take six or seven years to get results. That crash programme, I insist, must be taken up as early as possible.

THE VICE-CHAIRMAN (SHRI AK-BAR ALI KHAN) : The research at Pusa is at it.

SHRI RAJE.NDRA PRATAP SINHA : That work should be enlarged and more finances should be nnwifW »~ *'-'

[Shri Rajendra Pratap Sinha]

pose, and more attention should be paid to it.

The last item I would like to examine in this Budget is related to self-sufficiency and self-reliance. I would like to congratulate the Government for completely doing away with PL-480 cheap food. This is the first time in our history, probably in 10 or 15 years, that we have completely done away with cheap food import under PL-480. This is a very great sign of our establishing self-reliance _ Nothing can be more heartening then this. We have brought down the foreign aid this year to Rs. 374 crores. In the past it used lo be Rs. 600 or Rs. 700 crores. This is also a very healthy sign that we have reduced foreign aid and we are managing our economy with such a small amount of foreign assistance. This amount of foreign assistance is probably necessary because we arc short in certain critical items. The short critical items are cotton, iron and steel, certain chemicals and fertilisers. Now, the bad management of our agriculture and indu: . is responsible for these shortages. If our steel factories had produced according *to* their capacity, probably there would have been no reason for this. We had to make very heavy imports of steel. As I have said, we have to be up in cotton production but we could not develop some hybrid seed. Then this huge import of cotton would not have been necessitated. Similarly we are importing fertilisers and edible oils. Self-reliance is within our reach and this Rs. 374 crores could be cut in no tinv: and if we could improve the production in these items, then we could cut off our imports. What happened last year was this. Our import bill has gone up because of of critical shortages in our economy. Self-reliance does not mean that we will completely get ourselves free from imports but what is necessary to develop our exports so that for those that we need to import we must have surplus in our economy to export so that we are not dependent on others for loans or aids. With regard *to* exports several items have to be examined to that our exports may go up. I am glad that the various Ministeries in charge of this are drawing up plans for enlarging our exports and they have their blueprints which will bear fruit in time to come but I am sure that with the

....u :" ""■ »'-"»»mv more surplus will created and our self-reliance is dependent on our growth is going fo take place, self-reliance will follow.

I wish to draw the attention of the Finance Minister to one aspect because I know something about it as a member of the Coffee Board. There is an export levy of Rs. 25 per unit on coffee. We had a bumper crop of coffee last year of 1,10,000 tonnes. Never before we had it. We have reached the target of the 6th Plan and it is expected that this growth—of course we cannot have that figure—will be kept up in coffee. The problem is, we cannot export all surplus coffee because we are bound down by certain International Agreements that we cannot export to the world. Most of the countries of the world are bound by the Agreement that they cannot export beyond a certain quantity which is about 20,000 tonnes and the rest of the quantity goes to what is known as non-quota countries, that is, to countries which are not members of the International Coffee Agreement. These are mostly the Communist countries. Of course Japan is also there but the other countries are Russia, Hungary, Poland, etc. We are a very small producer of coffee in the world. There are countries like Brazil, Columbia and others whose entire economy is dependent on coffee. They have been exporting coffee probably on barter basis but at very cheap rates to Japan, Russia and other countries and they have huge deals at very cheap rates. In the international market there are two prices—the interna'ional price of the quota countries which can bear our export duty—the export duty must be levied on that and I am for that—but there are countries which are getting their coffee at very cheap rates as non-quota countries. To these countries our export for the last one year has been suffering very badly because they want a reduction in price at par with other countries from where they are getting coffee. This export duty is standing in the way. The exporters cannot export this coffee and compete because of the duties. So there has been a demand for the removal of this duty particularly on the coffee going to the non-quota countries. I do not know how the Finance Minister cai reconcile the duty on coffee to one country and not on others but what is necessary is this. There is great glut of coffee in thist country because they are adamant tha

unless there is a great price reduction they will not lift this coffee. Otherwise you can sell 20,000 or 25,000 tonnes easily to these non-quota countries. So the Government should consider giving some cash subsidy or something of that kind. The Ministry of Foreign Trade has already represented about this but the Finance Ministry is adamant on this point and is not giving a rebate. What is necessary, as recommended by the Public Accounts Committee, is the entire export to the non-quota countries should be handled by the Coffee Board itself or by the public sector. I also suggest that the export to the non-quota countries should be handled in the public sector, it may be the Coffee Board or any organisation that may be put up or the STC. In that case it becomes easier for the Government to give some cash subsidy or devise some means to remove this export duty, so that the exporters— not exporters so much but the growers—-are not put to a loss and they could sell all their coffee. This is the point I wanted to urge, and I hope the Finance Minister will give due consideration to this.

Thank you.

DR. K MATHEW KURIAN (Kerala) : Mr. Vice-Chairman, Sir, the discussion on ihs Budget has centred round some of the slogans which the ruling party has been propagating during the last several years mainly to fool the people or to hoodwink the people. In the Budget speech of the Finance Minister it is claimed that wc are moving towards the goal of economic progress and social justice. Sir, I would like to explode the myth of this claim that we are moving towards economic progress and social justice. I would show in my speech that we have been building up a capitalist economy with increasing foreign collaboration and increasing control of foreign imperialist powers on vital sectors of our economy. The Mid-term Appraisal of the Fourth Five Year Plan gives us a lot of data regarding the shortfalls in production, inadequacies in distribution of national wealth, particularly important goods of mass consumption. The *per capita* income which is the real index of economic progress has been going up at the rate of 1 to 1-1/2 per cent during the first three years of the Fourth Plan. Are we moving *towards economy* progress and social justice with this paltry increase in the *per capita* income ? In fact in earlier years actually the *per capita* income declined. Even though there has been relatively greater increase in money income it has been ercaded by the continuously increasing prices.

Sir, the Finance Minister has made much about the 23 per cent increase in the Plan outlay during the current year. This is a hoax. If you really examine the Plan outlays in the first three years of the Fourth Plan you will find that in the Central sector the outlay has hardly been 45 per cent of the total envisaged Plan outlay, ft means that 55 per cent of the total Plan outlay has to be spent in the remaining two years. It is against this background that the Finance Minister says that they are stepping up the Plan outlay by 23 per cent. What does that mean ? Almost 32 per cent of the Plan outlay still remains to be utilised in the last year of the Fourth Plan. Is it realistic in the context of the increasing financial crisis that we are facing ? This is the kind of statistical jugglery that they are resorting to. If at all they have increased the Plan outlay this year it is against the background of the heavy short-falls in the first three years of the Plan. And by just stepping up the outlay in the last one or two years of the Plan are we in a position to achieve even the rudiments of our targets ? And the same is true of the State Plan outlays also. If you look at the Midterm Appraisals of the various State Government Plans even 50 per cent of their total outlay has not been spent in the first three years of their Plans and nearly 50 per cent remains to be spent in the last two years. It is against this background of general crisis in Plan investments that we have to consider this tall claim of the Finance Minister that wonderful things are being done immediately after the recent rigged elections.

I would also like to explode the myth propagated by the Finance Minister and the ruling party that we are moving towards self-reliance. Sir, hon. Member Mr. Raj-endra Pratap Sinha just now stated that we are moving towards self-reliance and he gave evidence of the declining P. L. 480 imports. It is most unfortunate for Member of this House to claim that P. L. 480 imports have been reduced as an example of self-reliance It is on record that the United States Government was exporting surplus wheat and other commodities at a time when

there was surplus in (he United States in order to support the minimum price for their cultivators. It was in their national interest that these surplus commodities had to be exported to developing countries like India. But the United States does not have any surplus now and they are not prepared to give any surplus, even if available, under old terms; they are insisting on new terms. Now, if they have not given us, we take credit for the non-availability...

SHRI RAJENDRA PRATAP S1NHA : We will not take it.

DR. K. MATHEW KURIAN : Pieace do not disturb me.

SHRI RAJENDRA PRATAP SINHA : Even if they give, we will not take it because we do not need it.

DR. K. MATHEW KURIAN : We take credit for the non-availability. Take again the question of exports. We are trying to show self-reliance by statistical manipulation. The Times of India dated the 13th of March 1972 has slated in an editorial that we are fooling the people by this type of statistics. According to the Ministry of Foreign Trade exports last year increased by 14% but actually, according to the Reserve Bank, they fell by Rs. 1.2 crores I do agree that there is discrepancy in the basis of computation of statistics done by (he Reserve Bank and by the D.G.C.I, & S. 1 am aware of the technical differences in the form of computation, but a difference of Rs. 132 crores cannot be explained by these statistical differences. There has obviously been manipulation and tampering with statistical data. The Government is utilising the statisticians and the economists in the Government as guinea-pigs and telling them that 'you' sign on the dotted line, it is a very wrong tendency on the part of Gvernment to show results by statistical manipulation.

The same thing is happening in the case of Index Number of Industrial Production. The hon. Industries Mtn'ster has claimed in a number of places that small-scale industries have been increasing at the rate of 10 to II percent, Asa matter of fact, according to the E^wcs given to us in the Mid-terra Appraisal an.! in the Economic Survey, small-rcale industries have been increasing at the rate of around 3 or 35 percent. I do agree that statistics present difficulties in actual computation but, unless we have perfected the statistical machinery, no Minister should come and fool us or fool the people that production figures are much brighter than what they really indicate We cannot have self-reliance just by gloating over statistically inflated export figures.

Sir, I would also like to bring to the attention of the hon. Minister and to other Members in this House that immediately after the last General Elections when the rulina party had been claiming self-reliance, what happened. Even very recently Mr. Norman Kipling, leader *of* the British delegation, came to India, and it is reported that the Government of India has agreed to give majority participation to British investors even in sectors where that was not allowed till the other day. Immediately after their tall talk about socialism and their election propaganda about self-reliance, they are now having the second honeymoon with British and American imperialism. This second honeymoon soon extended to the President of the World Bank and ex-Secretary of State of the U. S. Government, Mr. Robert McNamaru. He was here and we seemed to have been very happy with him. We seemed to have a new inclination, a new sentiment of love with the imperialist powers to adjust with them so that we get their aid and capitalist planning continues intact.

I would also like to expose the claim of the Finance Minister (hat net foreign debt has declined. Look into the facts behind it. One of the reasons why net foreign debt has declined is that repayment of interest has been mounting. Out of the gross inflow of foreign debt, the net of course is smaller because the repayment component of interest is assuming an increasingly bigger proportion. Similarly, if gross aid has declined, the main reason for it is the unwillingness on the part of the imperialist power to give us aid. Even when the imperialist powers are unwilling to give us aid and even when the net aid decreases because of repayment, the Government a.id the Treasury Benches take credit for themselves. What is their policy ? The Times pf India, of Bombay dated 8th March, 1972

wrote in an editorial entitled "New Pragmatism" thus :—

> "It is clear from the discussion of the Indo-British technological group which ended on Saturday that the government has at last begun to adopt a more pragmatic approach to foreign investment in this country. Its decision to waive all requirements—including the payment of duly on imported machinery—of companies that wish to manufacture components for export is a case in point."

Immediately after the last election after all the talk about self-reliance here is the Government of India having the new pragmatism of aligning with foreign investers and having foreign cellaboration. If you look into the foreign collaboration agreements entered into you will find that the number of applications from foreign investors disposed of in 1969 was 214 and in 1970 the number was 380. There is great urgency indisposing of foreign investment applications. Outstanding foreign private investments which stood at Rs. 258 crores in 1948 increased to Rs. 1,342 crores at the end of March, 1968. We do not have the latest figures, but the gross inflow of foreign private investment was Rs. 141 crores in 1968-69 and Rs. Ill crores in 1969-70. Therefore, it is clear that on the one hand the Finance Minister and the ruling party talk about self-reliance, but but every year private foreign capital continues to come to India in large proportions, adding to our lepayment obligations and payment of profits, dividends and royalties. Foreign collaboration in 1970-71 increased, compared to 158 new approvals in 1968-69 and 129 new approvals in 1969-70, after the tall talk about socialism 221 cases of foreign collaboration were approved by the so-called socialist Government. I quote from the Hindustan Times da:ed 7th February, 1972 which says :—

> "Foreign collaboration proposals approved in selected fields during the first half of 1971 registered a significant increase compared to the figures for the preceding two years.
>
> Business and official circles feel that the elimate for foreign private investment in India has generally improved."

The climate for private foreign capital improved after the talk about self-reliance and socialism. Is this real self-reliance ?

I would also bring to the notice of the hon. Minister a very serious matter as reported in the press. There has already been a policy decision by the Government to impcrt complete secondhand plants from Western countries, from West Germany, U. K. Japan and so on. Plants which are merely scrap, which may be useful only for some more years, would be imported. In the name of importing second hand plants for exports, the capitalist countries in the West, West Germany, Japan and so on are trying to dump their scrap material, their entire second hand machinery on us. They will replace them by modern machinery. Are we expected to compete in the international market with second hand machinery on our hands, while our competing countries in the West continue to modernise their equipment ? Is this the type of export policy ? I would also like to quote the Hindustan Times dated 20th September, 1971 :—

> "Some advanced countries, including West Germany, the United Kingdom and Japan, have proposed to shift large industrial plants and set them up in India in collaboration with local entrepreneurs for export of their products.
>
> An assurance to this effect has been given by the Ministry to the President of the Federation of Indian Chambers of Commerce and Industry (FICCI) Shri S. K. Kanoria....."

They are having a continued honey moon with big business. There is th assurance given to the FICCI President Members of Parliament do not know wha is happening on this vital issue of industria policy and import of foriegn plants. Th Government is hand in glove with th FICCI chief and the monopoly group ; the are dealing with them in regard to the in: tallation of second-hand machinery an export. This is absolutely a loot of India: economy by foriegn capitalists.

Particularly after elections in 1971, tfc foreign capitalists have been jubilant aboi

[Dr. K. Mathew Kuna] things happening here. The Indian Express of New Delhi dated 2nd May, 1971 gave a very interesting statement of Mr. Ninichi Nakagawa, leader of the 12 member Mitsubishi Economic Mission, representatives of Japanese big business. It states—

> •'Mr. Ninichi Nekagawn, leader of the 12 member Mitsubishi Economic Mission which has been touring India since April, 20, said here yesterday that post-election situation in India was 'definitely' conducive to investment and collaboration ventures."

I would like the hon. Members in the Treasury Benches to note this. If the big monopolists in India and representatives of big business abroad are happy and jubilant after the recent rigged election to the State Assemblies ; they must be jubilant that the climate for foriegn private investment is getting better.

In the name of monopoly control a great force has been enacted in this country. There is the Monopoly Commission. But all us know-it is a public secret—that among the members of the Monopoly Commission, there is continuous disagreement, when certain member agrees about clearing some licence to a big company, another members disgrees. i have got evidence of this with me. The ma jo; ity report in the case of the Century Weaving and Spinning Mills which is a Birla concern, is of 13 pages. The Chairman of the Commission and another member agreed to give the licence to the Birlas. They are in a hurry to placate... big business,. The elections are combine. Money is required—I understand it. And there is a 60-page dissenting note of another member, exposing this hoax of monopoly control. Are the Members of this House aware of it ? Is the Government prepared to lay on the Table the report of the Monopolies Commission on this Birla concern and also the *report* of the dissenting members. Similarly, in a number of other cases, big business has been given licences, des->ite the so called monopoly control. In short therefore, despite the elections, des->ite the talk abjj! self-reliance and mono->oIy control, tha feci remins that this jovernment is continuing .,: love affair. its honeymoon, with foriegn monopoly capital and Indian big business.

Before I eonclnde I would like to bring to the notice of the hon. Minister another recent event. If I understand correctly Vazir Sultan Tobacco Company is going to be allowed further increases in their capacity.

AN HON. MEMBER : Not Vazir Sultan, Indian Tobacco.

DR. K. MATHEW KURIAN : Vazir Sultan also. In this case there is an application to increase their capacity from eight thousand million cigarettes to 22 thousand million cigarettes. I understand that the Government is already moving in this direction. Probably, they have taken the decision keeping people unaware of what is happening in the green room.

Sir, what is happening to the people of this country ? The people shed only crocodile tears for them. According to the National Sample Survey, people living under poverty line was 52 per cent in 1963-64 and it increased to 70 per cent. According to the latest figures, if you read the latest rounds of the National Samply Surveys, the Proportion of people living on the poverty line increased under the rule of Mrs. Gandhi 4 P.M. Similarly, unemployment has been mounting. According to the figures for 1970-71 the number on the live Register of unemployed in the Employment Exchanges increased by 23 per cent, and if figures are to the relied, this year this percentage has increased by almost 50 per cent. On the onehand, monopoly in India is increasing, foreign collaboration is increasing. Profit rate is also increasing, according to the study of the Economic Times. On the other hand people's poverty and unemploy-are also increasing. This gap between the professions of the Government and their performance is most pathetic. Nonetheless Members; of the ruling party have the courage to stand up and say that we. arc moving towa'ds self-reliance.

The hon'ble Finance Minister claims that we are moving towards economic and social justice. Is there social justice for the majority of the people ?

Before I conclude, I would like to bring to the notice of the hon'ble Minister a fact regarding the question of tax policy. We have witnessed in ths last 25 years of Congress government increasing burdens on the people with indirect taxes increasing from 50 per cent to almost 80 per cant. Bit this year's Budget again continues the policy *o[* putting additional burden on the people. Out of Rs. 183 crores of additional taxation the Govemmmt has been pleased to put additional burden on the big corporate sector and the big monopolies only to the extent of Rs. 16 crores. If you make a calculation of the total burden on the people resulting from taxes on essential commiitiei such such as kerosene and various essential goods—I have made calculations—the total burden scome to about Rs. 900 crores. At least Rs. 900 crores are being squeezed from the people through indirect taxes on 4 or 5 major essential com nodities. On the other hand, the big business has been left out.

If you read the stock exchange figures, it is very clear that immediately after the Finance Minister presented the Budget, stock prices went up. Stock markets are very happy. Big business is happy that they have not been touched. Is this socialism ? Is this a move towards socialism and economic justice ? Stock markets are happy with the Finance Minister. Money is being squeezed from the people. On all kinds of essential goods, they have added further burdens. They say that this burden was necessary for defence and for Bangla Desh. I agree that for defence and for Bingla Desh we need money. But so long as this Government pursues the rotten economic policy they cannot get out of this situation.

Lastly, Sir, I would like to refer to the question of State autonomy. The State Governments are now paying to the Centre 'aid" instead of the State Governments getting it from the Centre. I would say that the State Governments are paying to the Central Government at least 8-11 crores of rupees from last year onwards. Sir, the repayment of past loans and interest obligations of the State Governments are larger than the entire Central assistance from the Centre to the States. Sir, if this is not economic bankruptcy and eriss in financial planning, what else is it ?

What is the solution ? If the Government of InJij i:ij the State Governments have to come out of this financial crisis there is only one way. Adhere to real federalism. Do no try to abrogate powers which have been given to the States. Let the States have larger powers. This is the only way in which this country can move ahead. This is the only basis on which the integrity and unity of the nation can be bait. You cannot have unity by riding roughshod on the State Governments, abrogating to yourself powers which are legitimately theirs, squeezing them, putting burdens on them. Without giving them any money, you have stopped them from making overdrafts whereas the Central Government is having deficit financing of Rs. 242 crores. Ho do they cover it ? Obviously by printing notes. The Central Government has the power to print notes. But the State Goverument have been denied the power of overdraft to the extent of even a few crores. This is Inequity of the highest order. If the State Governments are to function, if due to the bankruptcy of our economic policy the State Governments have a deficit, they have a right to cover it. But the Central Government comes down hard on thorn. But the same Central Government covers its fantastic deficit through inflationary financing. Every year deficit financing is larger than what is planned and they cover it up by printing notes. This type of economic policy will not do.

I would, therefore, request the hon. Finance Minister to retrace their economic policies by doing the following things. Let the Government, if they are ready serious about self-reliance, nationalise all the 75 monopoly houses in the country. Are they prepared to do it ? Let the hon. Minister tell this House that the Government agrees in principle that to-day or tomorrow they are going to take over all the 75 monopoly houses. Then the stock market will not be happy any longer ; I know that. Only the Finance Minister's Budget, which protects the big business, will cheer up the stock

[Dr. K. Mathew Kurian] market. If they are clear about what they profess, if they really mean business, if they really want to achieve self-reliance, let them take over the 75 monopoly houses and all major foreign private industries in India ? Are they prepared to do that ? Are they prepared to give autonomy to the States in respect of functions which are legitimately theirs ?

Unless the present economic policy is changed, unless foreign private capital is confiscated withoul compensation, unless the 75 monopoly houses are fully taken over, unless we move in the direction of implementing land reforms by reversing the present policies of supporting the feudal landlords and rich peasants in the name of Green Revolution, unless all these are done, this country can never move towards self-reliance and social justice. Thank you.

SHRI N. K. KRISHNAN (Kerala) : Mr. Vice-Chairman, Sir, I must confess to a sense of deep disappointment at this Budget.

[THE VICE-CHAIRMAN (SHRI RAM SAHAl) *in the Chairman]*

My disappointment arises from the fact that I see in this Budget no definite change in economic- policy policy of the kind for which people in this country gave a massive mandate, firstly last year in the parliamentary elections and again this time in the State Assembly elections. The people gave a massive mandate for certain radical steps, for a change in the taxation policy. They gave a massive mandate for mobilisation of resources from the rich, for stopping addition to indirect taxes and for stopping price rise which hits the common man. They wanted anti-monopoly action, they wanted radical democratic steps. It is for this that they voted. But I am afraid that in this Budget I see very Utile evidence of this mandate being respected.

As far as the resources mobilisation policy is concerned, we have the same picture in this Budget as before. The major imposts are indirect taxes, many of which will hit the common man and will lead to price rise. As far as the corporate sector is concerned, they have been let off practically scot-free. We have fought a big war a glorious liberation struggle last year. Today we are told that the war on poverty has begun. Yet, in this big war on poverty, the corporate sector which has built up powerful positions, as we all know, has been let off scot-free, except for one small increase in surcharge. And that is why the Bombay Stock Market celebrated this Budget on the post-Budget day on March 16, when equities opened on a firm note and were further marked up. Secondly, as far as the rural rich are concerned, I think (he Finance Minister has evaded the job of dealing with them firmly. We are told, of course, that the Raj Committee's recommendations are coming. Let me see what is going to be done in this matter. But as far as this Budget is concerned, the question has been evaded. Again on the question of black money also there has been evasion on the gronnd that the Wanchoo Committee's recommendation is there and therefore we will discuss it and wait and see what to do. But as far as black money is concerned, the facts are very clear; reports hai'e appeared that the Wanchoo Committee gave an interim recommendation regarding demonetisation of high denomination notes and that this interim recommendation said that it is quite feasible and it is urgently needed. But I see no sign of it anywhere in Government policy nor do I hear any talk about it today. And we all know that all Budgetary exercises in this country, about resources mobilisation, about holding the price line or deployment of our resources in accordance with the national priorities will come to naught without putting an end to this parallel economy of black money. As far as additional levies are concerned, it is shocking to see a levy on kerosene an amazing example of bureaucratic thinking pervading this Budget. All kinds of sophisticated arguments are put forward to impose a levy on kerosene which everybody, except the bureaucrats in the Government of India, knows is something which the common man uses in town and country and this levy is going to hit him hard. As far as price rise is concerned, the Economic Survey itself admits that the rising price situation continues and that the effect of expansion of money supply, the effect of war and all that has still to be felt on the economy. In this situation an uncovered deficit of Rs. 242 crores together with new levies of Rs. 193 crores, most of it indirect taxes, is going to increase the price level and I am afraid it will lead to a situation

where the price level will continue to rise unless the root cause of this is tackled by a | proper economic policy. And of that I do not see any evidence in this Budget. I wel-come the stepped up outlay on the plan investments. I also welcome the schemes of social welfare and the money demoted to that. But the question of implementation of these schemes has become most important today. As far as implementation is concerned, the entire implementation machinery for programmes for dealing with unemployment, for helping small and medium farmers for helping agriculturists, has got to ba radically democratised. It is not merely a question of timing of projacts or the timely execution of the projects as the Finance Minister tried to put it; it is a question of complete democratisation of the iirnlemsnt-ation machinery, of lighting the rural, vested interests, who today dominate the panchayati regimes in many States like Andhra and Maharashtra, and fighting the bureaucratic obstacles. Therefore, it is a very serious problem and unless this implementation machinery is properly tackled, I am afraid, this increased outlay will not bear fruit. On the question of foreign exchange we know that it is a serious position into which we have got; that next year, in 1972-73, nearly 30 per cent of the country's annual exports will be used for servicing all past debt obligations, and our out standing external debts today are Rs. 8200 crores. Even in thie situation, afier all our experience of American imperialism in the Bangla Desh liberation struggle and the insolent manner in which India has been treated by Nixon, it is amazing to ses that the question of moratorium on repayment of debts to imperialist countries which have tried to aggravate our difficulties by economic and political blackmail, and the question of prohibition of transfer of profits of companies with foreign investments in India, do not figure in this Budget. According to me they are urgent, they are necessary and they are warranted by this situation. And the whole question of moratorium the question of prohibition of transfer of profits of companies with foreign investments in India all these questions are sought to be evaded by a policy of further concessions to foreign private monopolies as well as Indian private monpolies in the name of "export promotion" and "earning foreign exchange." Now, we know th« world in which weare living. After the formation of the European Economic Community and the serious cconomb crisis in America, cut-throat competition among ths imperialist power is going to increase and if we think that in he name of export promotion and in the name of earning foreign exchange somehow or other we can get together with these imperialist countries, well our whole calculation is going to come to grief. That is why the question of moratorium and the question of delinking ourselves from the capitalist world market step by step have become extremely urgent today today because the entire imperialist world today is trying to solve its own conflicts by cutting the throats of the developing countries.

My case against the policy of resources mobilisation in this Budget is that here in this country monopoly capital has attained enormous strength in the recent period, and it is surprising that instead of taxing them more, we should go in for levies which hit the common people. The Director of Research and Statistics, Department of Company Affairs, has made a recent study on the growth of monopoly in the recent period. This article has appeared in the "Company News and Notes" in 1970. Acc-ording to this article, if you take the share of the 75 monopoly houses in the assets owned by the entire private corporate sector in this country, their share has increased from 46.9 per cent in 1963-64 to 53.8 per cent in 1167-68. The "Larger Industrial Houses", each owning assets of more than Rs. 35 crores, as defined by the Industrial Licensing Policy Inquiry Committee, have achieved unprecedented growth during the period of 1963-64 to 1967-68. The asset; of the Industrial House of Mafatla increased during this period b; 195.9 per cent ; the assets o of Birlas recorded an increase by 96.6 pe cent, the assets of Shri Ram increased b: 96.4 per cent. The assets of one larg industrial house, namely, Parry, increase 360.5 per cent over this four year period b I could go on reeling these statistics. Th aggregate assets of all the 75 monopo! houses during this period have increase tremendously. Not only have the asse and power of the old and established mom poly houses increased, but new houses hai grown to the size of giant monopoly hous and their profitablity and capital formatic in the recent period have also increase immensely. The Economic Times Resean

[ShriN. K. Krishnan] Bureau made a study in 1971 and the results thereof have come in the January and March issues of 1971. And according to that study analysing the profitability of 101 industrial giants in the corporate sector, the total equity dividends distributed by 98 companies worked out higher at Rs. 137.7 crores in 1969-70 as against Rs. 99.5 crores in the previous year—a rise of 38.4 per cent. Retention of profit was also substantially higher at Rs. 69.6 crores as compared to Rs. 61.3 crores earlier—a rise of 13.5 per cent. Capital formation in the private industrial sector amounted to Rs 451 crores during 1969-70, the fust year of the Fourth Plan. The rate of increase in capital formation in the private sector worked out significantly higher at 17.4 per cent in 1969-70 as against 6.2 per cent in the previous year.

This is the manner in which profitability of the corporate sector and the assets of the monopoly houses have grown in the receiit past because those are figures relating to 1969-70. And we are presented with a budget which lets the corporate sector go scot free and which wants to levy imposts on the common people. Not only that. Today, the monopoly houses in India have become so strong that they have started exporting capital to less developed countries, in order to exploit the far cheaper labour power available there. 84 joint ventures by Indian monopolies in foreign countries are already approved or are under consideration and the export of Indian monopoly capital to Africa, Kenya, Singapore of Malaysia etc. has started now. In this manner, "illegitimate" foreign exchange accumulations abroad are being converted into legitimate capital gains without much scrutiny of Indian Law. Now, this is the situation in which we find ourselves and in which this Budget is presented. That it why we hold that without really eliminating the hold of these monopoly nous es, prices cannot be controlled, industrial production will not pick up and intergra-ted planning of our national economy cannot be done. We all know how the monopolists, how the Indian monopolists, operate. It is not by efficient management or cutting down costs or expansion of production that the Indian monopolists make super profits. On the contrary, their whole technique is to create shortages and through ,nonages and manipulation of prices, they jam super profits. This has been our experience and they want to monopolise as large a part of the public investment as possible through help from the public sector financial institutions. Their *modus operandi* is creation of shortages and manipulation of prices. It is because of these that we say that the role of these monopolists today has become an'i-national and, therefore, unless this role is attacked, well, you cannot either bring the prices down or have an integrated policy of economic growth with social justice.

Now, Sir, according to the Economic Survey itself, industrial production has declined very sharply in 1971 and taking advantage of this, today the private sector is asking for further relaxations and concessions all along the line. They want more availability of public finance, more imports and revision of price structure upwards. That is what they are asking for. Now, Sir, are we to believe that by giving them these, industrial production in the country will pick up aad the "investment climate" in this country will improve ? Let me instance on ly two industries : Sugar and textiles. These are two industries, you know, where the role of the prixate sector today has come out in the most anti-national manner. An argument is raised sometimes in the textile industry that the whole difficulty in this industry was nonavailability of raw cotton and because of high prices of raw cotton the costs went up and demand came down. Now, during the last nine months of last year, imports of cotton were very big. Despite this increased import of cotton during the last year, cotton yarn output decreased and mill cloth output also decreased. Now, Sir, I want to ask you why it is so. Why has the output decreased in a year when import of cotton also increased ?

Now, Sir, take the whole record of the textile industry. We hear of sick mills. What is the reason for this sickness of this industry ? Fraud and mismanagement in many cases and, beyond that, the fact that in this industry, which has the longest record in India and which had a sheltered market for 100 years, the entire blood was drained out of this Industry by the textile mill owners. And, Sir, without caring for renovation of the machinery, without earing for rehabilitation, the earned super-profits were invested in areas where still higher

profits could be got, such as artificial fibre and other industries. It is the law of capital that from an area of lower profitability it migrates to an area of higher profitability. This is the law of capitalism. It is because of this that they neglect rehabilitation, that they neglect the need for imlsrnisation of machinery, and they migrate to other areas to reap richer profits.

Because this policy alone has "sickness" eaten up this industry and it can be cured only by a surgical operation.

Now, Sir, take the question of the sugar industry. Between January and September, 1971, the production declined by 15.5%, prices have soared and the sugarcane growers are yet to get huge arrears of dues from these sugar industrialists.

The whole record of these industries is anti national. Expansion of the public sector to include important consumer industries has become absolutely necessary. It is because of this role of the monopoly houses, this specific role of the corporate sector during the last period, it is because of their anti-national role that we demand the nationalization of the 75 monopoly houses. After certain steps taken by the Indira Gandhi Government, people except the Government to move further in this direction. That's why they gave this massive mandate. That is why we say : Nationalize the 75 monopoly houses if you want to respect that mandate. Had this budget been true to this principle, then 90 per cent of the profits of the corporate sector should have been taxed and mopped up for national development. The argument may be raised that if this is done, industry will collapse and the whole country will go to dogs. I remember during the Second World War in 1943, the British regime had imposed nearly 90 per cent tax on the corporate sector. And even after this the industries in India did not collapse, the country did not go to dogs. Therefore this argument that this will lead to ruin is wrong and is totally falsified by our own experience...

(Time bell rings)

Secondly, the taxing of rural income has got to be properly done. I am waiting for a discussion on the report of the K. N. Raj Committee. Instead of taking these steps of sharply taxing the corporate sector profits, and rural incomes and of providing for massive expansion of the public sector, instead of nationalising the 75 monopoly houses, you have brought forward this budget which shows no sign of any change in policy in this direction. Not only that, I see serious signs of a slide-back in policy. The Finance Minister gave in his speech an indication that some substantial fiscal concessions may be given later on to the corporate sector to compensate for withdrawal of the development rebate. I am afraid this is a very serious thing. Along with this comes the fact that some of the recommendations of the Wanchoo Committee, according to me, have turned out to be thoroughly reactionary. All this bodes no good for the future.

Secondly, I am afraid that the reference made in the speech which the Prime Minister gave in this House replying to the debate on the President's Address which refers to a "new look" in economic policies has been widely interpreted in big business circles as foreshadowing a reversal of policies of curbing monopoly in favour of more concessions to the industrial tycoons and their foreign collaborators. Now this is a very serious thing. Huge pressure is being mounted today in the very name of "self-reliance" for further concessions to monopoly capital and for certain concessions to foreign private investment also. And in Ihe light of this, the Prime Minister's reference to a "new look" as for as economic policies are concerned is extremely disturbing, to say the least. Does it mean that the policy of curbing monopoly is going to be treated as "outmoded" ?

Finally, I would refer also to the deals which are in the offing now to allow Western monopolist in West Germany, Britain etc. to import whole industries into our country in the name of 'export" and "employment". A series of concessions is being discussed and all this is sought to be justified in the name of earning foreign exchange. This is a policy of absolute shortsightedness. It is a policy of allowing Western monopolists to palm off on us second-hand junk; outdated machinery while they are renovating their machinery in their own country. They will use this to restore

[Shri N. K. Krishnan] old colonial melhods of investment in our country and drain money away from this country. Are we going to allow this in the present situation when self-reliance is the need of the hour ?

That is why, I would conclude, Mr. Vice-Chairman, by saying that these actions /aise serious misgivings about the policies of the Government and together with all this comes the fact of this Budget. In the course of these two years, the people have given the ruling party a massive mandate twice. One mandate was given last year and the second mandate has b^en given this year. These are mandates for a radical departure from the policies pursued hitherto, these are mandates for curbing the power of the monopolists in this country, mandates for a redical change in taxation policies. If this is not done—the people will certainly give you *some* time for doing it—then I am afraid the people who gave you these mandates, will themselves bundle you out of power uncereminuously. Vour economic policies together with your budgetary policies need immediate radical change. Thank you.

श्री सवाई सिंह सिसोदिया (मध्य प्रदेश): उसभाध्यक्ष महोदय, हमारे देश के सुयोग्य वित्त मंत्री महोदय के द्वारा जो विचाराधीन बजट प्रस्तुत किया गया हैं, वह हर प्रकार से स्वागत-योग्य है। यह बजट उत्साहवर्द्धक है और आशा विश्वास और स्वावलम्बन का प्रतीक है। कोई भी प्रस्ताव इस बजट में ऐसा नहीं है जो जन-विरोधी कहा जा सके और खास तौर पर उन तमाम शंकाओं कुशंकाओं का समाधान इस बजट द्वारा होता है जो विधान सभा के चुनाव के दौरान में विरोधी पार्टियों द्वारा उठाई गई थीं। बड़े जोर से इस बात को कहा गया था कि जो नया बजट विधान सभा के चुनाव के बाद पेश किया जाएगा उसमें अनेक ऐसे कर लगाये जायेंगे और उनका इतना बोझ जनता के ऊपर पड़ेगा जो कि असहनीय होगा। उन तमाम बातों का समाधान भी इस बजट के द्वारा साफ तौर पर हो जाता है। बंगला देश की सहायता, विकास और प्रति-रक्षा की भारी जवाबदारी और वर्तमान पेचीदा आर्थिक परिस्थिति के बावजूद बजट कर-दाता के लिए व्यापक परेशानी पैदा करने वाला नहीं है। मैं इस बजट का स्वागत करते हुए कुछ सुझाव विचार के लिए प्रस्तुत करना चाहता हूं।

बीता हुआ वर्ष राजनैतिक और आर्थिक दृष्टि से हमारे लिए चुनौती से भरा हुआ वर्ष था। बंगला देश की शरणार्थियों की समस्या, पाकिस्तान द्वारा थोपे गए युद्ध और बंगला देश की जनता के लिए दिए गए वचन की पूर्ति के लिए हमारे देश की जनता, सेना और हमारी यशस्वी प्रधान मंत्री के शानदार नेतृत्व के योग-दान के कारण ही चुनौतियों का सामना करने में हमको ऐतिहासिक सफलता मिली है। और राष्ट्रीय तथा अन्तर्राष्ट्रीय स्तर पर हमारे देश का गौरव, स्वाभिमान, इज्जत और सम्मान बढ़ा है। केन्द्रीय सरकार की सुझबुझ से अतिरिक्त साधन और धन एकत्रित किया गया। शरणार्थियों की देखभाल पर लग-भग 260 कोड़ रु० और रक्षा सेवा पर 200 करोड़ रुपया अतिरिक्त खर्च किया गया। बंगला देश के मोर्चे पर, लोक सभा और विधान सभाओं के चुनाव के मोर्चे पर हमारी पार्टी को शानदार सफलता प्राप्त हो चुकी हैं, किन्तु आर्थिक मोर्चे पर सफलता प्राप्त करना बाकी है और यह रास्ता बहुत कठिन तथा लम्बा है।

चुनाव के मैदान में भी हमारे प्रधान मंत्री जी विजय किसी भी प्रकार से लड़ाई के मैदान से कम नही आंकी जानी चाहिये। इस कामयाबी से राज्यों में मजबूत और टिकाऊ सरकारें बनी है जो केन्द्र की सरकार के साथ कदम से कदम मिलाकर चल सकेंगी और गरीबी तथा अन्याय को समाप्त करने में सहायक हो सकेगी। कट्टर वामपंथी व दक्षिण पंथी और प्रतिक्रियावादी, इन ताकतों का विधान सभा तथा लोक सभा के चुनाव में सफाया हो चुका है। जनता ने अपनी जवाबदारी पूरी की है, लेकिन शासन के ऊपर खास तौर पर केन्द्रीय शासन और हमरी पार्टी के ऊपर बहुत बड़ी जिम्मेदारी आ

गई हैं जिसको उसे पूरी करना है। गरीबी के खिलाफ लड़ाई युद्ध के मोर्चे से भी काफी महात्वपूर्ण और कठिन है। क्रांतिकारी कार्यक्रम के द्वारा ही इस समस्या का समाधान करने की दिशा में कदम बढ़ाया जाना चाहिये।

इस बजट की विशेषताओं के सम्बन्ध में कुछ निवेदन करना आवश्यक है। बंगला देश को 200 करोड़ रुपये की सहायता के साथ साथ सुरक्षा के लिए जो अतिरिक्त बोझ वहन करना पड़ेगा उसकी पूर्ति करते हुए भी विकास की गति को कायम रखा गया है और उसके लिए अधिक साधन वर्तमान बजट में जुटाये गये है। 332 करोड़ रुपये का इजाफा योजना व्यय पर हैं जो विगत वर्ष से 25 प्रतिशत से अधिक है। बजट के द्वारा नये करों का बोझा जनता पर केवल 133 करोड़ रुपये के लगभग है।

इस बजट में 240 करोड़ रुपये का प्रावधान समाज कल्याण तथा शहरों और गावों की बुनियादि समस्यायों से सम्बन्धित कार्यक्रमों के लिए रखा गया है। जिसमें पीने का पानी, गांवों में मकान बनाने के लिए भूमि की व्यवस्था और शिक्षित बेरोजगारों के लिए रोजगार के साधन उपलब्ध करने की व्यवस्था है। 50 करोड़ रुपये की व्यवस्था ग्रामीण बेरोजगारी के लिए की गई है। यह कहते हुए दुःख होता है कि हमारे शासन तंत्र के असहयोग और लाल फीताशाही के कारण पिछले दो वर्षों से समाज कल्याण के कार्यक्रमों को असली रूप देने में अदासीनता बरती गई है। उदाहरण के रूप में पिछले साल 50 करोड़ रुपया ग्रामीण बेरोजगरी की समस्या के समाधान के लिए रखा गया था लेकिन 8 करोड़ा रुपया ही उसमें से व्यय हो पाया है। निर्धारित बाकी राशि का इन चिंताजनक कारणों से किसी किस्म का उपयोग नहीं किया गया। करीब चार पंचवर्षीय योजना पूरी हो जाने के बाद भी आधी से ज्यादा आबादी गरीबी से बद्तर जिन्दगी बिता रही है। अभी भी लाखों करोड़ों चेहरों पर मुस्कराहट नहीं हैं। जब हम मकान और आवस की व्यवस्था करने तथा भूमिहीन अथवा ग्रामीण बेरोज़गार के लिए साधन जुटाने की बात करते हैं तब यह देखना जरूरी है कि हमारे इस मुल्क में जो खेतिहर मजदूर है या अन्य बेरोज़गार हैं उनको पूरे साल के लिए काम नहीं मिलता और जो भी काम मिलता है उससे उनको बहुत कम आमदनी होती है। यह जरूरी है कि हम इस प्रकार के साधन, इस प्रकार की योजना पर विचार करें जिसके द्वारा इन खेतिहर मजदूरों को या गांव में रहने वाले जो दूसरे मजदूर हैं ,उनको रोजी मिल सके और वे सम्मान के साथ अपना पेट भर सकें तथा उनके लिए कपड़ा और मकान की समुचित व्यवस्था हो सके।

बैंकों के राष्ट्रीयकरण के बारे में मैं वित्त मंत्री जी से यह निवेदन करना चाहता हूं कि हमने इस ओर एक बहुत बड़ा क्रान्तिकारी कदम उठाया है जिसकी काफी सराहना हुई, लेकिन उसका फल, उसका परिणाम, उसका लाभ, उन लोगों को नही मिल रहा है जिनके लिए इतना बड़ा कदम उठाया गया था। साधनहीन-बेरोजगार और छोटे कारीगर जो रोजगार धन्धा करना चाहते हैं, घरेलू धन्धा या अन्य व्यवसाय करना चाहते हैं, उनको राष्ट्रीकृत बैंक से सहूलियत के साथ और न समय पर कर्जा मिल पाता है ऐसे लोगों को किसी तरह से दूसरी सुविधाएं भी आजीविका के लिए उपलब्ध नहीं होती हैं जिससे इन लोगों के हाथ निराशा ही पल्ले पड़ती है। राट्रीयकृत बैंकों से जो आशायें थी वह धीरे धीरे अव्यवस्था के कारण निराशा में परिणत हो रही है।

प्रत्यक्ष करों की दरों में इस बजट में कोई विशेष वृद्धि नहीं हुई है। अप्रत्यक्ष करों की दरों में भी बहुत साधारण वृद्धि हुई है। ज्यादा घाटे का सहारा इस में नहीं लिया गया है। राज्यों के ओवरड्राफ्ट के ऊपर भी नियंत्रण रखने का

[श्री सवाई सिंह सिसोदिया]

प्रावधान किया गया है। अप्रत्यक्ष रूप से जो कर लगाए गए हैं, उनका बहुत सी चीजों पर प्रभाव पड़ता है। खास तौर पर मिट्टी के तेल के बारे में मैं वित्त मंत्री जी का ध्यान आकर्षित करना चाहता हूं। उन गरीबों के घरों में, जिनका मैंने उल्लेख किया है उनके छोटे फूस के झोपड़ों में उजाला करने के लिए केवल मिट्टी का तेल ही उपलब्ध हो पाता है। 6 पैसे प्रति लिटर कर लगाया गया है वह अनावश्यक है और मैं वित्त मंत्री जी से निवेदन करूंगा कि वे इस पर पुनः विचार करें। इन गरीबों को जिनको 6 पैसे प्रति लिटर टैक्स देने में कठिनाई होगी, उनको राहत दी जाने की व्यवस्था की जावे। इस कर से 29 करोड़ की आमदनी का एस्टीमेट है और यह समाप्त होने पर कोई बड़ी भारी परेशानी शासन के सामने आने वाली नहीं है। खेती की आमदनी पर टैक्स लगाने के बारे में संसद् में तथा संसद् के बाहर बहुत चर्चा होती है। कहा जाता है कि गांवों में हरित क्रांति के द्वारा लोगों की बड़ी आमदनी बढ़ी है, लेकिन यह सही बात नहीं है। बहुत थोड़े लोग ऐसे हैं जिनको साधन उपलब्ध हुए हैं, जिनको सिंचाई की सुविधा मिली है, जिन्होंने अपनी खेती में नए तरीके अपनाए हैं और उसके द्वारा उन्होंने अपनी उपज तथा आमदनी बढ़ाई है। लेकिन अभी ऐसे बहुत से किसान गांवों में हैं, जिनको आधुनिक सुविधायें एवं साधन उपलब्ध नहीं हुए हैं। हमारी यह प्रतिज्ञा है, संकल्प है कि हम प्रत्येक किसान को सिंचाई के साधन उपलब्ध कराएंगे, प्रत्येक किसान के पास सिंचाई के लिये बिजली पहुंचाएंगे। आज भी इस दिशा में इस संकल्प की पूर्ति के लिये काफी काम होना बाकी है। बहुत थोड़े लोगों की आमदनी में इजाफा हुआ है। कृषि उपज पर टैक्स लगाने के प्रश्न पर अन्तिम निर्णय लेने के पहले हम को अनेक बार सोचना होगा कि क्या इससे वास्तव में शासन को कोई उल्लेखनीय आय हो सकेगी, आर्थिक दृष्टि से कोई लाभ होगा या नहीं। बड़ी मुश्किल से देश अनाज की उपज में स्वावलम्बी हुआ है—अभी अन्य पैदावार बढ़ाना है। इस स्टेज पर क्या किसानों पर आय कर लागू करना उपयुक्त होगा या नहीं। किसानों की आमदनी का एसेसमेंट करने में और उस पर कर लगाने में काफी परेशानी होगी, काफी भ्रष्टाचार बढ़ेगा। कृषि उपज का एसेसमेंट करने व कर वसूल करने वाली मशीनरी पर जितना खर्च आएगा उससे ज्यादा कर के द्वारा प्राप्ति होगी अथवा नहीं। यह गम्भीर प्रश्न है। इस पर बड़ी सावधानी के साथ विचार करने की जरूरत है। अनुभव के आधार पर ग्रामीण अर्थव्यवस्था को सामने रख कर सोचना होगा कि किसानों की आमदनी पर क्या कर लगाने का निश्चय किया जा सकता है और वह मुनासिब और व्यावहारिक है या नहीं?

खाद्यान्न की दृष्टि से देश में आत्म-निर्भरता औद्योगिक उन्नति के लिए मजबूती के साथ खड़े होने के लिए आधार, बंगला देश से संबंधित प्रतिज्ञाओं का पूरा करना, बैंक राष्ट्रीयकरण इत्यादि शासन की उपलब्धियां हैं। शहरी सम्पत्ति पर सीलिंग के बारे में जो विचार किया जा रहा है, उस दिशा में भी शीघ्रता से निर्णय लेना होगा। बुनियादी जरूरतों की चीजों की वसूली और वितरण का काम सरकार को अपने हाथ में लेकर ठोस नियंत्रण लागू करना बहुत जरूरी है। कानून के द्वारा नियंत्रण करना और वितरण की व्यवस्था पर अंकुश रखना जरूरी है।

(खाद)—फर्टिलाइजर पर प्रस्तावित नवीन कर के बारे में सदन के कुछ माननीय सदस्यों ने वित्त मंत्री जी का ध्यान आकर्षित किया है। फर्टिलाइजर की खपत पिछले वर्षों में 25 से 30 प्रतिशत बढ़ी थी, लेकिन इस वर्ष केवल 6.5 प्रतिशत वृद्धि हुई है, जबकि हमारा लक्ष्य 29 प्रतिशत का है। इस भयावह स्थिति को मौजूदगी में भी इस पर कर लगाने की बात सोची जा

रही है । जो हमारा लक्ष्य है उसको भी हम प्राप्त नहीं कर पाये हैं। अनाज के उत्पादन तथा छोटे किसानों और मार्जिनल एग्रीकल्चरिस्ट्स के ऊपर विपरीत प्रभाव पड़ेगा। इसलिए मैं मंत्री महोदय से निवेदन करूंगा कि वे इस पर विचार करें कि फर्टिलाइजर के ऊपर जो कर लगाने का प्रस्ताव रखा गया है वह मुनासिब है या नहीं।

मुझे देख कर निराशा होती है किसरकारी खर्च में कमी करने के बारे में कोई चिंता प्रयत्न, कोई व्यवस्था, कोई संकल्प या कोई प्रस्ताव का समावेष बजट से नहीं हुआ है। इस दिशा में भी कदम उठाना बहुत जरूरी है । बढ़ते हुये शासकीय व्यय पर नियंत्रण अत्यन्त आवश्यक है।

अपने प्रांत मध्य प्रदेश के बारे में भी कुछ महत्वपूर्ण तथ्य प्रस्तुत करना चाहता हूं । सारे हिन्दुस्तान के ऊपर निगाह डालते हैं तो प्रकट होता है कि मध्य प्रदेश, बिहार, राजस्थान, जम्मू काश्मीर और उड़ीसा ऐसे प्रांत हैं जहां कि प्रति व्यक्ति की आमदनी और प्रांतों के मुकाबले में काफी कम है। हमारे प्रांत मध्य प्रदेश में जो काश्त का कुल रकबा है, उसमें से 9 प्रतिशत रकबे में सिचाई होती है जब कि सारे देश का औसत सिचाई का रकबा 29 प्रतिशत है। जिस प्रकार की आर्थिक असमानता समाज में देखते हैं, ऐसी प्रांतों में भी है। समाज में कुछ लोग ऐसे हैं जिनकी आमदनी बढ़ी है, जिनके लिये साधन जुटाये गये हैं, जिन्होंने योजनाओं के माध्यम से लाभ उठाया है, लेकिन बहुत से ऐसे अभागे लोग हैं जो कि उससे वंचित रहे हैं। यही तथ्य प्रांतों को भी लागू होता है। पंचवर्षीय योजनाओं में जो निश्चय होते हैं, उनमें भी इन आर्थिक असमानताओं को दूर करने की चिंता नहीं रखी जाती है । इन असमानताओं के कारण ही असंतोष पैदा होता है । जो पिछड़े हुए प्रांत हैं, जो प्रांत अविकसित हैं, उन को उन्नति करने एवं आगे बढ़ने के लिए मौका नहीं मिलता हैं, वे अविकसित रह जाते हैं और दूसरे विकसित प्रांत अधिक आगे बढ़ जाते हैं। इस प्रकार की स्थिति क्यों पैदा होती है, कौन सी प्रवृत्तियां प्रभावित करती हैं और कौन से कारण होते है, उनका उल्लेख मैं यहां नहीं करना चाहता। यह जरूरी है कि गंभीरता से इस प्रश्न पर विचार हो कि अविकसित प्रांतों को आर्थिक दृष्टि से ऊपर उठाने के लिए तथा विशेष सहायता देने की व्यवस्था समुचित रूप से कैसे की जा सकती है।

हमारे मध्य प्रदेश में प्राकृतिक तथा खनिज साधन और वन संपदा प्रचुर मात्रा में है। लेकिन इनका दोहन नहीं हो पाया है । मध्य प्रदेश शासन के द्वारा बिजली के विकास के लिए और सिचाई बढ़ाने की योजनाओं से संबंधित केन्द्रीय सरकार के पास व्यावहारिक एवम् अत्यन्त आवश्यक प्रस्ताव आते हैं, तो उन को नजरअंदाज किया जाता है । शीघ्र स्वीकृति नहीं मिलती है । हमारे प्रांत की यातायात की व्यवस्था और विकास की गति में कोई प्रगति नहीं हो पायी है। प्राकृतिक खनिज और वन संपदा की प्रचुरता हमारे यहां है। न केवल मध्य प्रदेश के लिए बल्कि दूसरे प्रांतों के लिए भी लाभदायक सिद्ध हो सकती है। उनके द्वारा हमारे देश की संपत्ति, दौलत में भी वृद्धि हो सकती है और देश की आर्थिक स्थिति सुदृढ़ करने में भी सहयोग मिल सकता है। इस स्थिति पर आवश्यक विचार होना चाहिए । बजट से किसी प्रकार की कोई निराशजनक स्थिति का निर्माण नहीं होता है। विरोधी दल के सदस्यों की ओर से जो यह कहा गया है कि यह केवल शाब्दिक और आंकड़ों का माया जाल है और उस में समाजवाद की ओर कोई निश्चित कदम नहीं बढ़ाये गये हैं, यह बात सही नहीं है। मेरी दृष्टि में विचाराधीन बजट हर हालत में वर्तमान आर्थिक परिस्थिति के लिहाज से उपयुक्त है और आर्थिक उज्ज्वल भविष्य स्थिरता का संकेत स्पष्ट रूप से हम को दिखायी देता है।

[श्री सवाई सिंह सिसोदिया]

मेरा आग्रह है कि बजट प्रस्तुत करते समय उन अविकसित प्रांतों की ओर भी जरूर निगाह डालनी चाहिए जो काफी पिछड़े हुए हैं और जहां विकास के प्रचुर साधन उपलब्ध हैं। उपलब्ध साधनों का उपयोग देश हित में और प्रांत की जनता के हित में हो सके यह लक्ष्य भी नहीं भुलाया जाना चाहिए। बजट का स्वागत और समर्थन करते हुए कुछ और निवेदन करना चाहता हूं कि हमारे देश में बेरोजगारों का प्रश्न काफी जटिल और विशाल है। इस बजट में समाज-कल्याणकारी कार्यों के लिए काफी प्रावधान रखा गया है। इस प्रावधान का उपयोग जरूरत-मंद लोगों के लिए होना चाहिये।

जो भूमिहीन हैं उनके आवास की समस्या के बारे में हमारे केन्द्रीय शासन द्वारा बहुत अच्छी योजना बनायी गयी है और उन तमाम भूमिहीनों को जिनके पास मकान नहीं हैं बिना किमत के उस योजना के अंतर्गत शासन द्वारा जमीन एक्वायर कर के मकान बनाने के लिये भूमि देने का प्रावधान है। लेकिन इस योजना का कोई लाभ आखिर में उस व्यक्ति तक नहीं पहुंच पाता है जिसको उसकी आवश्यकता है। शासन द्वारा बहुत से उपयुक्त निर्णय किये गये हैं, अच्छे फैसले होते हैं और उससे लोगों को आशा बंधती है। गांवों में अनेक लोगों के पास दस बाई बारह के छोटे मकान हैं, झोंपड़े हैं और उन्हीं में वे लोग अपना खाना बनाते हैं, उसी में वे मवेशी बांधते हैं, उसी मकान में उनका बच्चा पैदा होता है और उसी मकान में सारे घर के लोग सोते हैं। कैसी चिन्ताजनक और भयावह स्थिति है। आजादी के इतने वर्षों के बाद भी आज आवस की ऐसी स्थिति है। जब इस प्रकार की स्थिति बनी हुई है तो हमारा फर्ज हो जाता है कि योजनाओं में और इन योजनाओं के माध्यम से जो लाभ जरूरतमन्द लोगों को उपलब्ध कराना चाहते हैं और सही अर्थ में जिन व्यक्तियों के लिए उस योजना को बनाया गया है उनको राहत पहुंचे। शासन का तंत्र और जो गवर्नमेंट की मशीनरी हैं, उसको भी अभाव ग्रस्त व्यक्तियों को तुरन्त राहत पहुंचाने के लक्ष्य को सामने रख कर कार्य करना चाहिये। जो हमारी कथनी है उसको करने में भी परिणत कर सकें, यह उद्देश्य होना चाहिये। जनहितकारी निर्णय होते हैं, लेकिन उनको कार्य रूप में परिणत करने की दिशा में समय पर कदम नहीं उठाये जाते हैं और उसका नतीजा यह होता है कि जो लोग असहाय हैं, जो लोग बेबस हैं, जो लाचार हैं, जो परेशान हैं उनको कोई राहत नहीं मिल पाती है।

मैं एक और सुझाव माननीय वित्त मंत्री जी के विचार के लिए प्रस्तुत करना चाहता हूं। हमारे मुल्क में बहुत से ऐसे लोग हैं जिनको काफी आयु होती है। जो लाचार होते हैं, असहाय होते हैं, अपंग होते हैं और उनकी परवरिश करने वाला, उनके खाने पीने की व्यवस्था करने वाला उनका कोई कुटुंबी नहीं होता है। समाज सेवा की संस्थयें उन कोकोई मदद नही पहुंचाती हैं। अक्सर ऐसे लोग बड़े परेशान और मुसीबतजदा होते हैं। ऐसे लोगों के पास कपड़े नहीं रहते, उनके खाने का कोई इंतजाम नहीं होता या उन की परवारिश करने वाला कोई नहीं होता। गांव वाले भी ऐसे व्यक्तियों को आश्रय नहीं दे पाते हैं, ऐसे निराश्रित लोगों को पेंशन देने की संभव व्यवस्था पर विचार होना चाहिये। आजादी के बाद यह आशा और विश्वास इस प्रकार के व्यक्तियों के मन में होना स्वाभाविक है कि उनको सहारा देने की व्यवस्था भी शासन के द्वारा होगी। वित्त मंत्री जी के समक्ष यह सुझाव है कि वह इस दिशा में भी गभीरता से विचार करें और कोई ऐसा कदम उठायें जिससे ऐसे असहाय व्यक्तियों के लिए भी कोई व्यावस्था संभव हो सके।

शहरी संपत्ति पर (सीलिंग) मर्यादा कायम होने की व्यवस्था के बारे में बहुत से प्रान्तों की विधान सभाओं ने प्रस्ताव पारित किये हैं, लेकिन अभी इस दिशा में कोई ठोस कदम नहीं

उठाया गया है। किसी भी प्रकार से अधिक विलम्ब उचित नहीं है। आवश्यक विधान बनाया जाना चाहिये। जहां तक भूमि पर (सीलिंग) मर्यादा कायम करने का प्रश्न है, बहुत से प्रान्तों में इस बारे में आवश्यक कानून बन चुके हैं, लेकिन अलग अलग विधान और नियम बने हैं और काफी असमानता है। समान रूप से भूमि पर मर्यादा (सीलिंग) कायम हो सके इस बारे में भी केन्द्रीय व्यवस्था के अन्तर्गत दिशा निर्देशन होना चाहिए। भिन्न भिन्न प्रान्तों में भूमि की किस्में भी अलग होती हैं। पैदावार भी कम ज्यादा होता है। समान रूप से कोई मर्यादा निर्धारित करते समय इन परिस्थितियों को भी ध्यान में रखा जाना चाहिये। होल्डिंग्ज (जोत) का इकोनामिक (लाभकारी) होना बहुत ज़रूरी है। इसलिये इस दिशा में वस्तु स्थिति पर विचार कर के और पूरे हिन्दुस्तान, देश, की दृष्टि से विधान बनाना चाहिये। कुछ लोगों के पास ज्यादा भूमि कानूनी अपवाद की आड़ में नहीं रह सके और और उस भूमि पर भी मर्यादा का बन्धन लागू होना निहायत जरूरी है। मेरा विश्वास है कि इन सब बातों पर, सुझावों पर विचार किया जायेगा। मिट्टी के तेल पर प्रस्तावित कर समाप्त होना चाहिये। बाकी जितनी वस्तुओं के ऊपर नवीन कर का प्रावधान है उनसे गरीबों के ऊपर कोई विशेष सीधा प्रभाव नहीं पड़ता है लेकिन मिट्टी के तेल के ऊपर जो कर लगाया गया है वह असहनीय है क्योंकि उसका बिल्कुल सीधा सम्बन्ध गरीब लोगों से है गांवों में रहने वाले मजदूरों से है और उससे कोई बहुत बड़ी प्राप्ति भी नहीं होने वाली है। केवल 29 करोड़ रुपया मिलने का अनुमान है, जो कम किया जा सकता है। तो माननीय वित्त मंत्री जी योग्य विचार करेंगे ऐसी मैं आशा करता हूं।

SHRI BABUBHAI M. CHINAI (Maharashtra) : Mr. Vice-Chairman, Sir, 1 rise to speak on the Budget proposals. I am of the view that there is no use of discussing these proposals in isolation. They have to be studied together with the Wanchoo Committee proposals, part *of* which have been implemented. The Finance Minister has not only accepted and incorporated suggestions like taxing casual and non-recurring incomes but also hinted that separate legislation would be sponsored in respect of clubbing of incomes of husband, wife and minor children, and a different treatment to Hindu undivided family.

The recommendations of the Wanchoo Committee seem to be at variance with the Budget approach. What is significant is that the Committee has recommended that the maximum marginal rate of income-tax including surcharge should be brought down from the present 97.75 per cent to 74.75 per cent. It is of the view that nothing has contributed more to the growing evasion of taxes on income or wealth over the past two decades than the steady increase in the rates of taxation through expropriatory levels. In fact, things have come to such a pitch that it is more rewarding for the rich to conceal Rs. 30 than to earn an additional Rs. 1000. Instead of accepting this worth-while recommendation of the Committee to fix a ceiling at a lower level on the total tax, the Government have gone ahead primarily with its proposals motivated by revenue consideration.

Nowhere is there any sign of improving and rationalising the tax structure. It is this unfortunate lapse which has given a bias to our tax system and alienated it from economic realities. I have no doubt that by reducing the tax limit Government might lose a little bit of the tax revenue in the short run but in the long run it will be made pretty good and in fact, quicker than expected, because the tax levy on the lines of the Wanchoo Committee would give a tremendous fillip to the economy and consequently to net collections. Such measures have been adopted recently in Japan, West Germany and USA. Not only that, even some developing countries like Ceylon have adopted them with beneficial results. It will be putting the carriage before the horse if the Government tries to plug the loopholes in the tax system without reducing the marginal tax. rates to a reasonable level.

[Shri Babubhai M. Chimai]

Even the Economic Survey suggests that there is a clear limit to the revenue from direct taxes either in the rurul or in the urban sector. In the two decades from 1950-51 to 1970-71, revenue from income and wealth taxes has g'own by less than one per cent of national income. Revenue from indirect or commodity taxes has risen from 4.2 par ceot to 11 per cent or nearly threefold. 5 p. M, The survey also makes the point that revenue from direct taxes in the rural sector has declined instead of growing. Land revenue and agricultural income-tax collected by States has steadily declined during the decade 1960-62 to 1970-71 from 1.63 per cent, to less than one per cent. The scope for indirect taxes is also diminishing. In any case, indirect taxes press more heavily on the poor than the rich. Accepting this analysis as correct, a case for any increase in direct or indirect tax will be difficult to make out.

Coming to the Budget proposals proper, the rate of surcharge on income-tax on compaires has been increased. There has been v,. h Jrawal of special deduction from prefits of priority industries. Casual and non-recurring incomes have been subjected to taxation. Capital gains on jewellery has been brought under the tax net. There has been a tightening of provisions relating to income of charitable and religious trusts. Also, there is a provision of tax deduction at source on payment to contractors and the term contractor remains to be defined. So much for direct taxes.

As regards indirect taxes, there has been a revision of rates of regulatory duties in respect of customs duties. Extra countervailing duty, which is equal to excise duty, will be obtained mainly from kerosene. Excise duty on iron and steel and aluminium has been raised. Although there has been no addition to the list of commodities subject to excise duties, in the name of rationalisation, there has been a merger of special excise duties with basic duties and they have been rounded off mostly in the upward direction.

The question now is whether these proposals stimulate industrial growth, enhance national savings, promote import substitution and improve export performance. I am of the view that the Budget fails to make any significant impact on any of those areas. The increase in surcharge on the corporation tax is bound to reduce the retained earnings of the corporate sector and thsreby create a mild setback to industrial activity. In view of the slow rate of growth of industry and the need to make the economy self-reliant as early as possible, the Finance Minister would have devised measures to speed up industrial progress and augment savings.

So far as the indirect taxes are concerned, the effect of enhancement of excise duties or additional excise duty in lieu of sales tax on certain critical items will inevitably mean rise in industrial costs and burden on the consumer. As a result of increases in additional excise duty in lieu of sales tax on art silk fabrics, unmanufactured tobacco and cigarettes, the consumers will be affected adversely. The scheme is such that even low priced fabrics will cost more now, and such little comfort and grace in the life of the large number of low-income people will be removed. Industrial costs will rise because of sharp increase in excise duty on iron and steel products. In the process of rounding off, duties on an overwhelming majority of items have been increased. A major departure in the appellate and revision procedure is that Central Board of Excise and Customs or the Central Government, as the case may be, can, on their own motion or otherwise, reopen a case of assessment which has already been finalised at a lower level. This could result in hardship to a number of assessces. The provision that a person who is going to be affected prejudicially shall be given reasonable opportunity of representation and personal hearing has to be taken with a pinch of salt.

In my initial reaction to the B-idget proposals I had mentioned that increase in excise duty on kerosene will adversely affect the common man. While proposing the levy the Finance Minister himself stated that he was aware that kerosene was an item of common consumption, both in rural and urban areas and that the levy will amount to about six paise per litre. But after going through the Budget proposals more carefully, and having studied the relevant notifications in this behalf, I find that, as before, Government have maintained the distinction between 'superior' and 'inferior' varieties of kerosene. The duty on inferior varities, to

the best of ray understanding, remains unchanged. Therefore, the common man is not hurt. It is oniy on the superior variety of kerosene that the duty has been raised from Rs. 225.25 to Rs. 285.00 per kilo litre. This has been done on the twin plea that our import bill for kerosene is sizable arid that a comparatively low rate of duty on kerosene encourages its adulteration with other products, particularly with high-speed diesel oil. Although it is a fact that even *superior kerosene* is being consumed by the common man both in the urban and rural areas, it appears to me that in view of the circumstances explained by the Finance Minister, this levy was perhaps inevitable. But those who are mixing this with diesel oil will be able to bear this extra burden.

In short, Sir, the Budget fails to create the necessary policy environment for speedy growth aimed at greater self-reliance. There is no rationalisation of import tariff to promote import substitution. Neither are there measures to increase exports. As a result, the external payments position may not improve radically and the objective of self-reliance might be delayed, Perhaps the only salutary feature is the larger provision for Plan outlays which would set in motion forces mainly through demand for fuller utilisation of capacity in a number of industries. And that is the only ray of hope for more growth in the years to come. Thank you.

SHRI N. SRI RAMA REDDY (Mysore) : Mr. Vice-Chairman, Sir, the very first reaction in my mind about this years's Budget was a feeling of relief. But on a careful study of the Budget, I 'find that but for the non-change in the rates of income-tax or surcharge on personal incomes, there has been heavy taxation, according to me, all round. Sir, we should take into consideration the two bouts of taxation last .year which have come to nearly Rs. 500 crores. And this year another Rs. 183 crores have been added to it. Taken together, about Rs 700 crores of taxes have been levied within this one year. Justification for this is found in the fact that the country had to face a burden of 10 million Bangla refugees and also a war. Now that the victory has been won and thank God, the enemy has crippled himself and the 10 million refugees have gone back to free Bangla Desh, why should the Government continue those taxes which were particularly imposed on account of (he war and the Bangla refugees ? By the way, Sir, I take this opportunity to most heartily congratulate the country, the people of India, the Government, the Prime Minister, the three wings of the Armed Forces, the jawan and all concerned for the most brilliant victory won in the 14-day war in December last. I would quote, with your permission, a couplet which I was inspired to write on the occasion of the great victory. It runs like this :

> "Yahya's thunder triggered off a blunder, Indira's adventure, indeed a successful venture, Nixon's blunder nurtured a surrender."

This is the couplet I was inspired to write on the table here. I am not a poet at all. I was simply inspired on the occasion by the victory that we have won, and I wrote this couplet.

Reverting to my criticism of the Budget I ask the Finance Minister : What is the justification to continue to impose levies which were put on the eve of last year's war afler a successful termination *ot* the same. The imposition on account of war came to nearly Rs. 500 crores. The present levy of taxes is Rs. 183 crores. The total increase in a year comes to Rs. 700 crores nearly. The question is whether this extra burden could not have been avoided and the economy helped to go on its own even keel. There are some inalienable facts and economic principles that should always and invariably be depended upon in every Budget. A Budget is not merely a tallying of income and expenditure. It is something more than that. It must help several factors in the development of the country. The Budget is an instrument for promoting (1) a faster rate of economic growth (2) an increase in capital formation (3) a healthy investment climate (4) price stability and (5) increase in employment potential. Therefore, in a discussion of the Budget it is neeessary that we should considei how far these factors of development in the country are helped by this Budget. The national income has grown only by 4 per cent thanks to the weather God ; He has been particularly favourable to India for the last two

[Shri N. Sri Rama Reddy[or three years. And what is called a green revolution has come, an improvement has taken place. Growth has taken place particularly only on account of agriculture where the mysterious hand of God was there. There were uniform rains throughout the country. But what is the fate of that aspect of economic development where man and the Government have to do the greatest ? They are the biggest factor. In industry particularly man is the biggest factor. What is the growth in industry ? It is less than 2 per cent. According to the Economic Survey that has been given to us it is only 1.9 per cent. Why has that not grown ? If it has not grown, it means there is failure on the part of the Government, there ii failure on the part of man as well. The Government, therefore, should have taken note of this fact and they should have modified their Budget to see that economic growh takes place in the industrial sector also. They had admitted in their Review also, in the Fourth Plan Mid-Term Appraisal, that industrial growth has been lagging behind. This is a symptom which ^should be taken note of by the Government. They must examine whether this state of affairs in industry is or is not due to their misplaced ideas and ideologies. The failure of public sector industries is another factor which adds to the mitigated growth of industrial development in the country. The Finance Minister says in his Speech—

> "Despite some signs of improvement, the level of savings and investment in both the public and the private sectors is inadequate to sustain a satisfactory rate of growth."

He admits it himself in his Speech, he has admitted the failure. He further says—

> "This situation must be rapidly transformed if tbe objective of growth with social justice and self-reliance is to be realised soon."

So far the Government has failed to achieve this objective. Their Budget has not helped, according to my humble understanding, the development of the country in the proper direction. But has he suggested any steps to transform the situation in his Speech ? I am afraid he has not. Even the capital formation has been 'agging behind. It has not been as good as it ought to have been. The Government through its excessive fiscal measures and Budgetary policies, has curbed the capital formation.

The taxation has been rising ever since 1960. Every budget means increase in taxation. Whether it is in proportion to the growth rate in the various sectors is not taken into consideration at all. Of course. I can unqerstand people being asked to bear extra burden in an extraordinary year like the war year when the country should be called upon to make sacrifices for the sake of our independence and integrity and dignity. But in the normal years such a thing ought not to have happened.

Investment climate is also lagging behind. Even the documents that have been given to us elearly show thar. Talking of the private sector, the mid-term appraisal admits that ihere has been sluggish growth in the private organised sector as well. The documents given by the government, their own analysis, appraisal and evaluation reveal these facts. In spite of that every year new taxation has been resorted to.

Employment potential is a'so lagging behind. Talking of the corporate sector vis-a-vis investment, it is said that there has been higher investment. It might be that, you have given more number of licences. But have they resulted in new factories ? That aspect has not been taken into account. On paper it is all right. In actually nothing of that kind has taken place.

Speaking on price stability, my friend on the other side was eloquent that price stability has been kept up. The Finance Ministry's report itself says that there has been price rise of about 4 per cent this year. This is not on agricultural produce. There, there has actually been a fall whereas the rise has been on finished and manufactured products in the industrial sector. Therefore, there has not been price stability at all.

The spurt in price is due to the taxation policy and fiscal policy of the government. The entire fiscal and monetary policies of the

government have to be re-examined because it is they that cause price rise. Increased prices lead to more wages and higher wages lead to increased prices. This vicious circle has been going on in the country and you and I and all of us have been witnessing this spectacle on the economic front.

The very fact that unemployment has been rising year after year in the country— there are 30 to 40 millions of unemployed including skilled and unskilled—shows that there is failure of the government policy. This problem is diiectly connected with the growth in the economy which is lagging behind. Government should have allowed growth in the economy and greater investment in public sector, private sector and corporate sector. This is a must.

In the budget, investments in the public sector have been increased. It is quite good. They must be increased and there is nearly 10 crores increase in the plan outlay. But what about implementation ? Sir, I have been here for the last 12 years and this probably will be my last speech in this House. For the last 12 years we have been clamouring for implementation. This has been a common cry for the last 12 years. When are you going to solve this problem of implementation ? When are you going to properly use public finances that are placed at your disposal through the sacrifices of the people of this country ? I do not know. What assurance are you going to give in this regard having failed ever since the Plan was started ? Therefore, I would like to examine the Budget figures. Having said this much, having expressed my feelings and my views, I would now like to analyse the Budget and show that the stand that I have taken in respect of this Budget is correct.

Sir, last year, the Revised Estimates show, with regard to the Revenue Budget, a deficit of Rs. 26 crores. In respect of the Capital Budget, there is a deficit of Rs. 359 crores, altogether adding up to Rs. 385 crores of deficit financing last year. This year, without the taxation and after having provided for an increased outlay of Rs. 710 crores and Rs. 240 crores for social welfare, you are left with a deficit of Rs. 594 crores, Sir, will the hon. Finance Minister kindly hear ? Sir, through you I request the Finance Minister to lend her jars kindly to what I have got to say now.

Now, Sir, so far the Capital Budget is concerned, the market loans are estimated at Rs. 215 crores, whereas last year they were Rs. 294 crores. Why did you underestimate to the market loans position ? Why did you drag it down to Rs. 215 crores ? It could have as well been raised to Rs. 350 or Rs. 400 crores. Again, Sir, there is the PL-480 and I concede that we are not importing anything now under this. Now, in respect of repayments, it is Rs. 1,294 crores. This year you are estimating it at Rs. 1,029, crores. Why ? Is it because that you are not going to realise the loans ? Is it your contention ? You ought to have realised the same Rs. 1,294 crores. Therefore, on these counts alone you could have raised about Rs. 500 crores that you are falling short of, falling deficit of. Unless my stand with regard to the loan repayment position is wrong, you must concede that in the case of market loans you could have raised about Rs. 500 crores even without a single pie of taxation. You could have provided that and it is possible. Apart from the expending nature of the taxes, they are quite buoyant. Even according to your papers, they are buoyant and the taxes would certainly increase and the revenue will be more than Rs. 350 crores. If that is so, you could have done this without even taxing to the tune of Rs, 183 crores. Is it a ritual that every time you present the Budget you are increasing the taxation also ? Even according to these these figures, I do not see any justification whatsoever for increasing the taxes. You could provide the same Rs. 710 crores for planned development and you could have provided the same Rs. 240 crores for social welfare works, for primary education, for water supply, etc., etc. It is quite possible to have provided these even if there was deficit and even this Rs. 250 crores has not produced any topsy-turvy effect on 'he economy. You should have taken courage and said, "All right. We will provide." I agree that out of this Rs. 183 crores, probably Rs. 50 crores may go to the States. Altogether, there is a deficit of about Rs. 250 crores. Sir, this was not quite necessary under the situation. Sir, there is no ward. Rs. 1,500 crores has been provided for Defence. Certainly I agree that our Defence must be in good condition. But,

[Shri N. Sri Rama Reddy] Sir, where is the justification to raise it ? Some people say that all the losses that they have suffered during the war have to be made good for. But Josses were more than made up through the armoury that was left by Pakistan in Bangla Desh. Not much has suffered in that way. If I am not right, the Finance Minister will enlighten me. The expenditure has been increased even if there is no war. There is no difference. There could be some difference It is not a matter that impaired the efficiency of our army. We ought to have reduced, according to my understanding.

Shri Babubhai Chinai justified the levy on Kerosene. I for one would not take a stand like that. There is no justification whatsoever of the levy on kerosene. For steel, the prices are already rocketing high in the country. The Finance Ministry is putting forth the plea that there is some extra profit made by these people and they would like to mop up some of it. It is not that way. Madam Finance Minister, it is not going to be that way. The steel prices will further rise. That means, increase in consi'uction cost, increase in transport rates; even hing will go up. It is not much of a benefit that you will derive.

Then I come to fertilisers. Agriculture is just opening its eyes. We are far below as compared to the advanced countries of the world. Our cow yields less amount of milk. Our sheep yields less of mutton and wool. Our poultry is less. Our land yield is the lowest. Everybody is talking about agricultural people. But they know nothing about agriculture. It is true that all agriculturists earn Rs. 16,000 crores of rupees. But they forget completely what is the *per capita* income of an agriculturist. These people have no. idea whatsoever of agriculture but they are talking of taxing the agriculturist. Take care, 1 warn the Government, that you do not touch them, otherwise your position will be *very* difficult. You will break the country's prosperity if you touch the agriculturist. He is toiling day and night, in sun, in wind, in rain. He is aching. Do not throw him to the wolves of your tax collectors. You will be throwing him to the wolves of tax collectors and anarcy and corruption will increase. Do you mean to say that the agriculturist, an ignorant and illiterate person, will maintain accounts for you ? He toils. His wife toils. His children toil. And everybody in his family toils. By this you will be throwing 200 million families of agriculturists to the wolves of your tax collectors. Far Heaven's sake, do not take recourse to tax the agri-culrist. You might have given some fertilizers. You might say that you have given him some hybrid seeds, etc. It is all right. But just now he is opening his eyes. Let him stabilize himself.

Ninety per cent of agriculturists are illiterate. And you want him to keep accounts for you ? No. This is a very, very dangerous thing. For Heaven's sake, do not care either for the Raj Committee or for the Taxation Enquiry Committee, because they are not agriculturists; they know nothing of agriculture. They have had no cow. They have never dealt with a pair of bullocks. I as an agriculturist live on agriculture. I give you warning that if you touch him, there will be anarcy in the country. For heaven's sake, do not tax him.

Another thing. You are talking of ceiling. 1 admit that a rational ceiling is necessary. But what is the justification that a minor son will not have any share ? Is it fair ? It is not. Every one of us was a minor one day. You are denying this to a minor boy or a girl. Is it fair ? He is going to be a man, a family man. It seems, according to the press reports, that you are going to put together the husband and wife and minor sons. They may be three or four minor sons. They will also become men. What right have you to say that he shall not have anything ?—and a minor at that. Tomorrow the father might die or the mother might die; anything might happen. Are you going to stand all the risks ? You have absolutely no justification whatsoever in including the minor sons also in the family list for purposes of consideration of your ceilings. It is very unfair. It does not stand scrutiny. With your permi-ssion I would say it is immoral. A stand like that is an immoral stand. It does not stand any scrutiny, any reason, any economy or anything like that. But the professors come and say that five minor sons and the father—all of them—will be treated as one. This is most unfair. It shall nst be done; it will not be done; and you will do it, if you care to do it at all, at great risk to

yourselves. The country has given you the biggest mandate, by all means. 1 am an opponent and I am sitting in the Opposition. But I admit that the massive mandate given is a spectacular mandate. But then, for what purpose is that mandate given you *...(Interruption)...* For changes reasonable. You have to do it. Other countries have done it. Ours is a mixed economy. You have to see that everybody in this country grows. You are only trying to cut off the tops. Is it development ? You must see that the humble grow *up...(Interruption)...* Yes, they will grow up. Increase the potential. In a country like America, only 7% of the people are agriculturists and 93% of the people are in industry. Could you not do it ? In Japan people are refusing to go to agriculture in spite of the fact that there are more and more industries. Could you not have done it ? In this country it is quite possible that you are only incapable of dealing with the technology of the country; you are only incapable of putting proper men on proper jobs; you are only incapable of increasing the industrial potential of this country.

I was also one of the ruling party Mem bers all along, I have seen it, and I have seen it failing everywhere. I led a delegation of Members of Parliament in the Eastern Sector of all the public undertakings. 1 have seen their failure and have given a big report to the Prime Minister on the failures of the public undertakings everywhere. So, because of your failures do not try to pam per the poor man saying "I will give you a house; I will give you land". Where is land *?* Are you going to create land ? Even if you distribute it equally at one acre per head, you have only 320 million acres of land that is all that is cultivated. What is this economy ? It is a failing economy, if I am permitted to use that word It is not at all a developing economy. A developing economy is that from which productivity is increased—from the soil, from the cow, from the sheep, from the fowl, from the iudustry, everywhere. In your steel industry, what one man produces in the Western countries, it takes 30 of your people to produce just that amount of steel. You think that is development. What a wonderful development it is. It is a self-consuming, consumptive economy and con-sumptive policy.

Of course, everyone of us here is a patriot—the. ruling party need not dub us unpatriotic. *I* credit them with the greatest patriotism ; 1 credit them with the greatest wisdom. But let that patriotism and wisdom be used for the benefit of the country, for all-round growth and development. *"Sarve jana sukhino bhavantii."* That is the way. Our ancient adage is *"Ati sarvatra varjayet"* —always avoid the extremes. Do not go to extremes; do not listen to these communists. They only want anarchy in this country and, on the basis of it, complete destruction of the country. They want to bring about another philosophy. That is w'hat has happened in every communist country. In this country it shall not happen because this is a country of hoary past. It is a country of great saints; it is the country of Lord Buddha; it is the country of Maha-tma Gandhi. Mahatma Gandhi's philosophy is going away. They have forgotten Mahatma Gandhi already. And a new philosophy of violence has come into existence—in the political field, in the economic field, in every field. I do not know what is going to be the fate of this country. I have given what my philosophy is. You must see two blades of grass grow where one grew before. That is the economic policy and that will stand scrutiny, not the philosophy of distri-bution...

SHRI BALACHANDRA MENON (Kerala) : At least Gandhiji did not say that you should not hand over the (and to the peasants.

SHRI N. SRI RAMA REDDY : I am not ooposing it. I have already submitted about ceilings, by all means you bring it into existence but on the basis of what ? Anyway do not bother, I am not answering you. You are not the Finance Minister. Here is the Finance Minister who may ask anything.

SHRI SHEEL BHADRA YAJEE (Bihar) : Without production how can you develop ?

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRIMAT SUSH1LA ROHATG1) : I did not want tc disturb the free flow of eloquence an< cratory of a seasoned parliamentarian bu I would like to ask him while all the tim

[Shrimati Snshila Rohatgi] he has been saying that \vc should be bold and why the Government is not being bold, at the same time he is cautioning us against taking risk. May I ask him, can we be bold without taking risk ?

SHRI N. SRI RAMA REDDY : In conclusion I may say that the country gave a massivemandate to this Goverment in the mid-term election. Again as though to confirm that mandate, in the recent State Assembly elections a second confirmatory mandate, most spectacular in size and quality, has been given to the ruling Congress of which Shrimaii Indira Gandhi is the presiding deity. I hope the country will be ably led to peace and prosperity.

The ugly .nexus between expropriatory taxation, excessive controls, party-political finances and black money have to be removed before a healthy economy in the country is set on its right royal march to development, Thank you very much.

THE VICE-CHAIRMAN (SHRI RAM SAHA1) : कोई सदस्य बोलना चाहेगा ? मेरा ख्याल है कोई नहीं है ।

The House stands adjourned till 11 AM-the day afler tomorrow.

The House then adjourned at thirty-eight minutes past five of the clock till eleven of the clock on Friday, the 24th March, 1972.

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