

श्री उपसभापति : स्पीच के बीच में पौइन्ट आफ आर्डर कैसा है।

شری سید حسین : آپ دیکھتے پوائنٹ آف آرڈر بنتا ہے - کیوں کہ مس لیو ہوا ہے ہاؤس اس بیان سے - پلیز کیو می چانس تو اسپیک - اور یہ بات نہیں ہے کہ جب چیف منسٹر کی متجارتی نہیں ہے تو ایسی صورت میں وہ چپٹی کرے اسمبلی کی۔

†[श्री सयद हुसैन : आप देखिये पौइन्ट आफ आर्डर बनता है; क्योंकि मिसलीड हुआ है हाऊस इस ब्यान से। प्लीज गिव मी चॉस टू स्पीक। अब यह बात नहीं है कि जब चीफ मिनिस्टर की मेजार्टी नहीं है, तो ऐसी सूरत में वह छुट्टी करे असेम्बली की।]

श्री उपसभापति : पौइन्ट आफ आर्डर आ गया है मेरे ख्याल में।

SHRI SYED HUSSAIN : Please let me explain. In sub-section (2) of the same section which has been referred to by Mr. Shukla it is said that the Governor may from time to time (a) prorogue the House or (b) dissolve the House. The Governor is not bound with regard to prorogation or dissolution of the House by the recommendation 61" the Chief Minister. He is recommended by the Chief Minister to summon the House or extend the House. That is very clear.

MR. DEPUTY CHAIRMAN : The hon. Member should have been present when the Minister was making the statement and he could have asked any clarification from the hon. Minister that he wanted. It is not desirable to get up in the House at any moment and raised any question. Even now if the hon. Member is of the view that the hon. Minister has given wrong information to the House the hon. Member is at liberty to move a privilege motion. He should not get up like this.

SHRI SYED HUSSAIN : The Constitution is here; it was wrong information.

j] JHindi transliteration.

MR. DEPUTY CHAIRMAN : That is what I said. If you think that the Minister has given wrong information you may bring a privilege motion. But why do you get up like this and raise the question while a debate is on?

THE BUDGET (GENERAL), 1970-71 —
conld.

DR. BHAI MAHAVIR (Delhi) : Mr. Deputy Chairman, Sir, the Budget which we are discussing at the moment in this House is to my mind the most significant Budget since independence. It is significant because in no Budget since 1947 were there expectations of the type which were aroused before this Budget was presented. It was expected that the Budget from a Socialist Prime Minister would mirror her socialist conception her views about the future of the society which the party in power wants to bring into being. It is also a Budget which is the first one after the Prime Minister had successfully freed herself from the shackles of the so-called reactionary elements. She has also successfully split the party of her father and grandfather right from top to bottom. We had expected, therefore, that now at least there was no pier, there was no excuse to offer for any inhortcojnings in the Budget. It was to be a perfect minor, a perfect reflection of the '[linking of a government which claims to be progressive, which claims to be worried about the welfare of the common people. Therefore, it should have had very clear ideas about what the common people want.

The basic fact of the Budget is that this is the first Budget since 1947 in which we have been given a present, an unabashed present of Rs. 170 crores of new taxes, apart from the Rs. 225 crores of deficit financing provided therein. When I say this is the first Budget, I am aware that in one Budget in 1963-64 a higher volume of taxation was proposed, but that was a Budget which should be considered a war-time Budget, a Budget presented in the emergency of the Chinese attack and the continuing Chinese threat. When I read through the Finance Minister's Speech on that Budget, I underlined the sentences where the Finance Minister referred to the fact that he was conscious of the burden that the new taxation was likely to cast upon the people, that it would mean privation to the common

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people, but he justified his proposals by saying that there was no alternative. If the country was to face the challenge of the Chinese aggression and if it was to face the challenge without sacrificing its development programmes without unleashing the forces of inflation, there was no other go. But there we have this Budget, with a new taxation of Rs. 170 crores, being presented by the Prime Minister without any consolation that it is being done under some compulsion or stress of an emergency or a foreign threat. Here is a Budget which is being given to us like a lullaby. The baby is being told that it is being very well cared for and looked after as no other mother could. And then we are also told that the common people, the weaker sections of the society need relief and, therefore, this Budget. What is this Budget? This Budget comes to us with proposals for new taxes and the taxes are on things which are of common consumption. It is very interesting to see Mr. Sethi getting up in the Lok Sabha and saying that the burden of the new taxes is not going to be shifted to the consumer. I cannot imagine a better or worse example of the Government digging its head under sand and declaring that all is well in the world in which it lives. Is the Government not aware of what is happening in the market? Do we have a Government which is living in an ivory tower which does not know what the trends in prices are in the market at the present moment? The Finance Minister does not seem to be aware of or conscious of any such thing. He says that if at all the levies now imposed are shifted to the common man, there will be only an increase of 0.5 percent in the whole sale prices. I do not know how he gets it. This 0.5 per cent. Even where the smallest tax is imposed on an article of daily consumption, if in the retail market the price is supposed to rise by 1 p. or 2 p., the shopkeeper will charge a minimum increase of 5 p. and nothing less than that. The paise that we have is so insignificant that even beggars refuse to accept it if it is given as donation. When the shopkeeper is asked to charge one paise more, it is unimaginable that the price will be raised by only one paise or two paise. If the hon. Minister has read the Economic Times survey of the Post-Budget trends, he will find that even now the prices have already risen and they are going to rise still further.

By way of enlightenment, however, Mr. Sethi gave us a new definition of luxury items. He said luxury items are those consumed by the higher classes like tea, sugar, cigarettes and biscuits. They have been taxed because they are items of luxury consumption. What a wonderful definition of luxury items we have from a very ingenious and gleaming Finance Minister here. If these are articles of consumption which can be considered luxuries I fail to understand what are the articles of consumption which are supposed to enter the common man's Budget. The fact of the matter is that..

SHRI AKBAR ALI KHAN : In our country biscuits are a luxury. We are a poor country.

DR. BHAI MAHAVIR : Well, Sir, I do not know if Nawab Saheb considers the man in the street, the labourer who goes for his morning work and takes a cup of tea. He takes something with his tea. It may be some simple biscuit. I do not think that it is considered a luxury. If that is going to be your conception, I do not know what type of luxuries indeed you are going to believe in for the common people. You better broadcast it. Let the people know that in the socialism that is being built, biscuits will be denied to the common, poor man, because they are considered to be an item of luxury. I am very much obliged to my hon. friend who has given me this bit of new information and I think this information will be appreciated and relished by the common people of this country.

SHRI M. PURKAYASTHA (Assam) : Common people do not take biscuits. You are living in a city and you do not know it.

DR. BHAI MAHAVIR : I hope you are in touch with some common people at least.

SHRI M. PURKAYASTHA : You do not know it.

MR. DEPUTY CHAIRMAN : Order, order.

DR. BHAI MAHAVIR : I know it. You may be better qualified to know it, my friend, but anyway you have your own definition and I have mine. It is not biscuit only. Mr. Sethi included tea, sugar, cigarettes and kerosene. I would like to know if kerosene also is a luxury in your conception. If so, why

"ot ban ii ? Let the Ministers and aristocrats of the country only have kerosene lamps and not allow any common people, middle-class people to consume kerosene. This is only part of the story. We have intermediate products being taxed, e.g., caustic soda. This is a very deceitful type of taxation and the people do not know what is being done and on whom the burden will fall. Why tax petrol ? You say petrol is a thing which the common people do not use, as if the common people never have to use taxis or scooters or any kind of local conveyance. Already we are having trouble from the taxi-drivers and scooter-drivers asking for higher fares. Now, on whom will this burden fall? Caustic soda goes into soap and the soap prices will rise. I hope my hon. friend will not tell me that soap also is a luxury and the common people should not try to emulate the rich people by using soap and that they should use the good old clay for the purpose of washing their bodies and other things. We have higher freight rates for many goods. All told the prices of so many goods which enter the consumption of the common people will rise. They have already risen from five to ten per cent and by the year end they will rise by at least 12 to 15 per cent in the case of many items. I do not know how the Finance Minister or the Prime Minister will be able to justify this.

There is the danger of deficit financing also. Mr. Sethi claimed that there would be no inflationary pressures, because the Government would keep a watch on the situation. We know the value of this watch and we have had some experience of how it is being kept. Only the other day, when it was referred to, I had occasion to remark here that probably the Finance Minister meant the wrist-watch he was wearing. He wanted to keep that kind of watch on certain trends which are there noticeably in the country. The Government is able to do little more than that. There is a rise in the price of vegetable products, which has recently been permitted. Also, in the case of steel, aluminium, chemicals and drugs. All these add up to and enter the end-product. It is going to mean a substantial increase in the burden of the common people. The multiplier effect is also going to work. The Railway Budget has brought in higher levies, higher freight rates on many articles. When all is said, the Budget is going to mean inflation also because there is a substantial amount of deficit financing. I am afraid the estimate of the rise in

revenues on the existing rates also is exaggerated- We are not going to have that much rise if there is going to be a 5-5 rate of growth in our economy. When we do not expect that much, there are the States and the deficits which are already apparent, evident in the Budgets of the States will add up to a much larger volume.

MR. DEPUTY CHAIRMAN : You can continue after lunch. The House stands adjourned till 2-00 P.M.

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

The House reassembled after lunch at two of the clock, MR. DEPUTY CHAIRMAN in the Chair.

DR. BHAI MAHAVIR : Mr. Deputy Chairman, as I was submitting, with a provision of Rs. 225 crores of deficit in the Budget and with the likelihood of expected receipts at existing levels of taxation falling below, which ought to have been assumed, to the resultant higher deficit if we add the deficits which the State Budgets are likely and in all probability to show, this is going to mean an inflation in the country or rather an addition to the inflationary pressures.

SHRI A. D. MANI (Madhya Pradesh): Already there is inflation.

DR. BHAI MAHAVIR : That is why I am amending it that would mean additional inflationary pressures. The Budget as it is does not provide any financial discipline for the States to restrain them from deficit financing. The only discipline there seems to be in the mind of the Government is Rs. 375 crores which have been set apart by way of Central assistance to the States. This Central assistance to the States would appear to be a very *bona fide* provision. But at present what we find happening is this assistance is not going to assist States in time of need. It is going to be used as a political weapon for toppling inconvenient Government and setting up Governments which toe the line of the ruling group. In this situation it is doubtful if this type of power kept by the Centre is going to be used in a clean, in an honest or in a proper manner.

In addition to this, however, there are so many things which I need to refer to, which cause concern not only to the common man but to the honest tax-paying or law-abiding citizen also. At present the type of taxes that we have, if we compare

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the level of taxation that we have in this country with the level of taxation in other countries, out of 150 countries I am told that in the case of 143 the corporate taxes do not go beyond 50 per cent. But here we have now got the taxes being increased still further, and at the top level, at the highest level the tax is going up to as high as 93.5 per cent. I consider this, Sir, to be a tax on honesty. The honest person, the man who keeps regular accounts, only he will be forced to pay. It will place a premium upon dishonesty, upon evasion and with the type of people, with the type of character that we have particularly among business circles, they are going to be tempted to evade this. The very simple way in which this position can be summed up is that it is more attractive to avoid taxes on an income of Rs. 7000 than to earn Rs. 1 lakh and to pay taxes on it according to schedule. Do we have that type of honesty even among the administrative personnel of the country? The way the income-tax machinery is being run we are not only making it difficult for honest people to live, we are making them dishonest, we are making them habitual tax-evaders, and that way we are creating problems in other spheres of our country also.

I have got a chart here of comparative rates of taxation in income-tax including surcharges in various countries. If I were to take Rs. 1 lakh as the income, the highest tax that I find at least among 31 countries is in India, Rs. 51,990. Of course it is exclusive of the recent increase. If the income is Rs. 2 lakhs, the tax is Rs. 128,990. Compared to this there are countries which have as low a percentage of taxation as, if I were to quote an example, Venezuela which has a tax rate of 6.27 per cent when the income is Rs. 1 lakh and 9.36 per cent when the income rises up to Rs. 2 lakhs. Apart from this, there are other countries which could be considered underdeveloped or developing; in Brazil, for example, it is 18.4 per cent on Rs. 1 lakh and 29 per cent in the case of 2 lakhs. The highest that I find here for any country reaching near about India is Ceylon which has 49.3 per cent when the income is Rs. 1 lakh and 64.8 per cent when the income rises to Rs. 2 lakhs. There are countries like Iran where income-tax even on Rs. 2 lakhs is 21.6 per cent only. When we have this high level of taxation, I do not know if we are not making it a crime for people to earn more.

The state of development of our country should be such that we should make honest people earn more and give a part of that earning to the State for the purpose of its developmental activities. But here I am afraid, from the way in which we are proceeding, we are only making people dishonest and habitual tax-evaders and not law-abiding citizens. If to the income we add the wealth tax, a friend of mine has calculated that on an income of Rs. 2 lakhs, the income and property tax would be no per cent of the income; if it goes to Rs. 5 lakhs, it will be 137 per cent of the income and if it is Rs. 10 lakhs, it will be 146 per cent of the income. Do we really expect that with this type of tax, payment will be made by people? I am afraid, these kinds of taxes are only levied on people who are well-principled people and who cannot evade them. But where there is evasion rampant, we have no means of seeing that the loopholes are plugged.

The exemption limit has been raised by Rs. 200 in the case of married people with two children. This is to me an eyewash. The Bhoothalingam Committee had recommended that the income-tax exemption should be raised by Rs. 2,500. That should be the minimum because after all, what is the purchasing power of the rupee today? What does it mean in real terms? And if that exemption is given, we would have at least 40 per cent or 45 per cent of the work of the income-tax officers cleared off and the income-tax officers can go more thoroughly into the cases of tax evasion. According to Dr. Kaldor, on an annual average we have lost Rs. 200 crores of tax revenue because of these evasive practices. Could not our Government think of taking a step in accordance with the recommendations of the Bhoothalingam Committee? But that has not been done. What has been done is that some other charges have also been raised. I do not know which extremely brilliant person recommended to the Finance Minister that the Money Order fee above Rs. 200 should be raised. I have not been able to understand—I would like to be corrected if I am wrong. But what I find is that the Money Order fee above Rs. 200 is higher now. But there is nothing to stop a person from sending the same amount in two instalments. Instead of sending Rs. 300 by one Money Order, I can divide it into Rs. 150 and Rs. 150 and pay a less Money Order fee. Does the Government want that people should have to fill up

more forms and thereby add to the clerical work of the Postal Department ? Otherwise, I do not know what purpose is going to be served by this.

In another way also, I think that there is some muddled thinking. Is it that the aristocrats or the rich people send Money Orders above Rs. 200? Is that the conception of the Government ? I do not know what justification can there be for it. No rich person, no capitalist, no business man sends money of the value of Rs. 300 or Rs. 400 by Money Order. There are better and more efficient and more sophisticated means of remitting funds. But then our Government thinks that a person who sends Money Order for Rs. 200 or Rs. 300 must be a rich man and he should be asked to pay more. Firstly asking to pay more is an utterly confused way of trying to tax the people. It is not going to yield more revenue; it may only mean more clerical work. Apart from this, who are the people who send Money Orders? The agriculturists, the people who are in service, they send Money Orders to their relatives in villages where there are no banking facilities available and where bank drafts or the bank cheques cannot reach. This tax again is going to fall on the common people.

Postal rates have been raised. I have received a memorandum from the Association of Publishers and there has been an editorial comment in the Hindustan Times this morning that in some cases the postal charges will be more than the price of the book itself. Does the Government want that the people should read less? Of course, if they read more, they will get a bit of education and enlightenment and our democracy will function in a better way. Is it the view that for the proper functioning of democracy, the less the people read the better it will be for Government so that they can swallow the various slogans that are doled out to them and not to think of them? If that is the conception, I perhaps would be able to understand that there is a motive behind it.

Of course, when I say that this tax should not be there, that these additional levies of indirect taxation on articles of common consumption should be removed, the most obvious and the easiest answer that I will be given is, you are talking of removing this, you say do not tax this, do not increase the income-tax, etc. Where is the Money to come from? Nowhere

is the money to *come*. That is a very valid point. But to my mind the most important thing which the Government should have done and which the Government has completely failed to even think of is that there is so much of wastage of expenditure, so much wastage of funds, so much of unnecessary frills on ceremonial occasions because an opening ceremony is to be performed by the Minister. What has the opening ceremony to do with him ? If the work is to be started, if the project is ready, let it start itself. But it will be kept waiting for some Minister to come and the Minister's coming, taking a salute, his delivering a sort of sermon, all these may mean two or three or four lakhs of rupees of expenditure for the public exchequer. This is the way in which money is very frequently wasted. This is something which should have attracted the notice of the Government. But I do not find any serious notice having been taken of it. To my mind, at least 7 per cent, economy or cut is possible in non-developmental expenditure and that would be giving us more than Rs. 200 crores of revenue which we should be able to utilise in a productive manner. Non-developmental expenditure is increasing very fast in the last two years—not this, but in the previous two years—and it has risen by Rs. 432 crores, whereas developmental expenditure has risen by Rs. 660 crores. What is the justification for the non-developmental expenditure rising like this? Can't we curb it? Can't we cut it? We talk of austerity. Is that austerity meant for the consumption only of the other people and we are all immune against all such things as poverty and the claims of the country being backward and resourceless? Nobody seems to be taking up this attitude in the matter of economy. So, I feel that we have to make real and serious efforts to reduce our expenditure and that would release funds for many purposes.

Then, Sir, there is no note in the Budget as to what resources will be available because of the increased deposits in the nationalised banks. Probably, Government is not very sure whether the banks are going to stay nationalised or not. In spite of the heroic statements made by the Prime Minister and the Minister of Finance, the Bank Nationalisation Act was invalidated by the Supreme Court. I am not going into that part of it. But if the banks are going to stay nationalised, we would like the Government to work to make them efficient and to make them progressive and useful instruments of economic

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progress by attracting funds which in our country is a very small percentage, 14 or 16 per cent, of our national income—that is the ratio of our deposits to the national income—whereas in other countries it is 40 or 60 or even higher. We should be able to attract funds from the rural areas if we expand the banking facilities to the villages. Why is it that they are not able to utilise it for the purpose of providing services and starting rural works? I shall have occasion to refer to it in a few minutes.

Another thing which has disappointed us and which I think is not only careless but is almost criminal in the degree of negligence which is involved there, is the neglect of the problem of unemployment. I know, even the other day the Prime Minister said that the figures of unemployment are being flouted recklessly. That itself to my mind was a reckless term to use. But apart from that, the point is that we do not have figures*. After all, the Planning Commission was giving certain figures of unemployment right up to the end of the Third Plan. What has suddenly happened that we now have no figures, and we are given high sounding explanations for that; a sophisticated and high-sounding rigmarole is sought to be built round the concept of unemployment. We have different types of unemployment. That cannot be reduced to a single dimensional definition. That might be a very good economic or very good scholastic exercise to talk about that. But recently in the National Herald there was published an estimate made by the Planning and the Special Study Unit of the Reserve Bank of India. I suppose that that is an authentic body. The Planning and the Special Study Unit of the Reserve Bank estimated that there are 34.6 millions unemployed in the year 1968-69. Out of this, and perhaps, in addition to this there are 70,000 engineers and scientists who are roaming about the streets. We have spent millions of rupees on their training. The State has invested a lot of money in making them engineers. Now what are we going to do about them? How are we utilising their ability? Practically we have no means of putting their ability or their training to any use.

Then there is the nutrition programme which has been flaunted very much. We are told it is a great beginning that has been made. I do not know how much of beginning is there in it.

MR. DEPUTY CHAIRMAN : You have taken 30 minutes.

DR. BHAI MAHAVIR : I am finishing in three or four minutes. What great achievement is there in it? In this programme, we are told, 20 lakhs of children will be covered in the 0-3 age group. Twenty lakh children calculated at the rate of Rs. 20 per child comes to Rs. 4 crores. I do not know how the concept of 250 days in a year has been worked out. I cannot comprehend how a year is going to have 250 days. I thought they were school-going children. Therefore, the days of their school attendance were being counted. But 0-3 is not the school-going age. Therefore, if we calculate 5J paise per day per child and if all of this is going to be spent directly on nutrition, food or milk, which is not going to be the case—a lot of it is going to be swallowed up by administrative expenditure by the people visiting there, some member of the Cabinet going to perform the ceremony for opening it while some other members going to perform the ceremony for closing it—all this is going to eat up much of the revenue that has been provided. What I am more concerned with and what I wish to record here is that in this programme there is the nutrition programme through Balwadis in the age group of 3-5. The statement here says

"In the areas where local food is not available it is proposed to supply processed food in the form of Balwadis. The raw material for preparation of Balwadis is likely to be supplied free of charge by CARE with the cost of preparation and administrative charges being met from the Budget."

We are going to meet the cost of administration and preparation charges. A substantial amount is going to come by way of donation. Are we going to make our children, right from that early age, beggars? Are we going to raise them as a people who will stand upon the cross-roads of the world and beg for alms from this country or that country? Is that the nutrition programme that our Government can think of? I would rather say if we cannot make any cut in our expenditure, if we cannot do away with our ceremonial expenses, and if we have to beg from other countries for the purpose of feeding our infants, that is something which should make us drown ourselves with shame or, rather, we should not have a face to show to the people.

MR. DEPUTY CHAIRMAN : Will you wind up?

DR. BHAI MAHAVIR : I am just mentioning *one* or two points.

MR. DEPUTY CHAIRMAN : It would not leave any time for your other Members who want to speak.

DR. BHAI MAHAVIR : I am finishing now. We have suggested rationalisation of imports. By rationalising imports we will be able to have for the exchequer 300 to 600 per cent, margin of profit which they have raised in the licences that are issued. I am afraid the Government will not take this suggestion because ultimately it takes away the power on patronage from them. And that is one thing which is keeping this Government in the saddle, the power of patronage.

Then I would suggest the setting up of an independent tribunal to rationalise the licensing system to take away where there is 300 to 400 per cent, profit. Why do you allow private individuals to swallow up that profit? Take it away for the public good and use it for the purpose of good schemes. Let there be a large-scale rural works programme, building roads, constructing bunds, providing irrigation even if a couple of hundred crores of rupees are spent. It would add to production and there will not be any inflationary effect of such a programme.

We have also suggested tax on big farm which have been exempted from the ceiling law.

SHRI AKBAR ALI KHAN : Minor irrigation schemes have been suggested.

DR. BHAI MAHAVIR : How much has been provided for it ? It is only an eye-wash. That is what I am saying. What little is sought to be done in a right direction is so insignificant that the Budget is disappointing in some respects and is offending in other respects because of the extra burden it places on the poor people. It is disappointing where it does not do enough for nutrition or family pension and other things. With these words, I feel that the Budget does not give anything by way of consolation or by way of an encouragement to the people that it is a means of achieving some sort of progress in our economy.

Efforts should have been directed to utilise our investment in public sector projects for the purpose of better efficient

functioning. But more than Rs. 300 crores get us an annual loss of Rs. 75 crores or more. That is not the way to work and it is not the way to increase our revenues for the purpose of any good scheme that we might have. Therefore, Sir, I submit that the Budget far from being a Budget for growth or for social welfare, is a Budget which is inflationary, which is going to cast increasing burdens on the common man, a Budget which is not imaginative because it does not give any new idea for the purpose of increasing revenues. It is a Budget which does not provide any hope to the rural masses or to the salaried people. Therefore, to me it appears that the Budget is not only non-progressive, it is regressive and as such it needs far-reaching changes if it is to satisfy any of the aspirations of the people of India.

श्री शीलभद्र याजी (बिहार) : माननीय डिप्टी चेयरमैन महोदय, 1970-71 के बजट में जो वित्त मंत्री और प्रधान मंत्री जी ने प्रत्यक्ष और अप्रत्यक्ष करों में वृद्धि की है, उसका मैं तहेदिल से समर्थन करता हूँ।

डा० भाई महावीर : करों की वृद्धि का।

श्री शीलभद्र याजी : जी हाँ।

डा० भाई महावीर : धन्य है, धन्य है।

श्री शीलभद्र याजी : धन्य है, तो मैं आपको समझाऊंगा, आपको सच्चे रास्ते पर लाने की कोशिश करूंगा।

माननीय डिप्टी चेयरमैन महोदय, जब जब बजट में कर वृद्धि का या रेल के बजट में किराया बढ़ाने का प्रस्ताव आया है, तब तब मैं उसका इसलिये समर्थन करता हूँ; क्योंकि मैं डा० भाई महावीर की तरह चारवाक के सिद्धांत में विश्वास नहीं करता—ऋणम् कृत्वा घृतम् पिबेत—कि ऋण ले कर घी पिबो, हम अमेरिका से, आस्ट्रेलिया से, कनाडा से ऋण ले ले कर...

डा० भाई महावीर : कितना लोन लिया है आज तक यह तो बतायें।

श्री शीलभद्र याजी : ...रुस से ऋण ले ले कर काम चलाते हैं और जो हमारी भावी संतति है; उसको कर्ज के भार से लादते जा रहे हैं। यद्दु हमारा विश्वास नहीं है और इसलिये

[श्री शीलभद्र याजी]

मैं चाहता हूँ कि कर्मों में वृद्धि की जाय और जो की गई है वह ठीक है, ऐसा मैं समझता हूँ। इस बार के बजट में अमीरों पर ज्यादा बोझा लादा गया है और गरीबों पर भार कम है, जब हम आजादी की लड़ाई लड़ते थे, तो बड़ी-बड़ी कुर्बानी लोगों ने दी और अब जो यह समाजवाद की लड़ाई है, वह भी तीव्र लड़ाई है। आप देख रहे हैं कि समाजवाद के जो मुखालिफ हैं, जो विरोधी हैं, वे किस तरह से समाजवाद की खिल्ली उड़ाते हैं, मजाक उड़ाते हैं और कल से जो उधर बैठने वाले लोग हैं, उनको मैं सुन रहा हूँ, बदकिस्मती है कि हमारे लोग भी कुछ उधर जा कर बैठ गये हैं, वह सोशलिज्म का कल से मजाक उड़ा रहे हैं। वह समझते नहीं हैं कि हमारी जो भारत सरकार है—ठीक है कि कांग्रेस पार्टी की जो नीति है वह तो है—जो भारत सरकार है, उसकी आर्थिक नीति मिक्स्ड इकानामी की, मिश्रित अर्थव्यवस्था की है, समाजवाद की नहीं है, हाँ समाजवाद की तरफ उसका लक्ष्य है, उसकी आयडियालाजी है, गति है और उसी तरह जो शासक पार्टी है, उसने समाजवाद स्थापित करने के लिये कहा है। लेकिन इस बजट को समाजवादी व्यवस्था कहना या समाजवादी कहना समाजवाद का ही मजाक उड़ाना है। जो समाजवाद की परिभाषा जानते हैं, वह ऐसा नहीं कहेंगे। जैसा कि हमारे राष्ट्रपति जी ने कहा कि एक-एक ईंट कर के, ब्रिक बाई ब्रिक, जैसे एक-एक ईंट कर के इमारत तैयार होती है वैसे ही हमारे समाजवाद की स्थापना होगी, इस दिशा में यह सरकार आगे हैं। लेकिन इस बजट को समाजवादी कहना चाहें तो यह समाजवादी है ही नहीं।

चूँकि हमारी जो नीति है वह मिक्स्ड इकानामी की है और मिक्स्ड इकानामी की जो नीति है, वह निहायत ही खतरनाक है। जब से यह हमारी सरकार बैठी है तब से इसकी नीति मिक्स्ड इकानामी की है हालाँकि समाजवादी बराबर बोलते हैं और पार्लियामेंट ने भी समाजवाद की बात पास की है और जो शासक पार्टी है, उस पार्टी में मतभेद भी हुआ समाज-

वाद को ले कर के और कुछ साथी उधर बैठ गये हैं, वह समाजवाद की बात भी करते हैं और उसका विरोध भी करते हैं। लेकिन आप जानते हैं कि सही मानों में समाजवादी व्यवस्था की कोई भी बात होती है, तो जैसे कि बैंकों के राष्ट्रीयकरण की बात आई, तो डा० भाई महावीर और उनके साथी सुप्रीम कोर्ट में भी पहुँच जाते हैं और यहां भी उसका विरोध करते हैं। शुरू-शुरू में जब उनकी बजट के ऊपर तकरीर हुई तो समाजवाद के लिये हमारी सरकार पर ही उल्टा कह रहे थे कि यह समाजवाद है, यह समाजवाद है लेकिन यदि हमारी सरकार समाजवाद की ओर थोड़ा बढ़ने की भी कोशिश करती है, तो ये जो प्रतिक्रियावादी लोग हैं, जो जनसंघी लोग हैं, जिनकी तरफ से अभी डा० भाई महावीर बोले हैं, वह उसमें रोड़ा अटकाते हैं। बदकिस्मती है कि ऐसे नौजवान, ऐसे समझदार आदमी एक प्रतिक्रियावादी, एक रिएक्शनरी हो जाय। यह बदकिस्मती की बात है। लेकिन उनकी पार्टी की भावना है, इसलिये स्वतंत्र पार्टी जनसंघ के साथ हमारे सिंडीकेट के भाई भी उधर चले गये।

डा० भाई महावीर : आप किसी दलील का जवाब दीजिए ब्रजाय इसके कि यह प्रतिक्रियावादी है, यह है वह है।

श्री शीलभद्र याजी : हम उसका भी जवाब देंगे। इसलिये मेरी अपनी इस सरकार से शिकायत है कि यदि सचमुच समाजवाद की स्थापना करना चाहते हो तो एक कच्छप गति से, कछुबे की गति से, जो चलते हो उससे समाजवाद की स्थापना नहीं होगी और नहीं होगी तो क्या होगा आप देखते हैं नक्सलवाड़ी कांड के बाद नक्सलाइट्स पैदा हो रहे हैं, आप उनको गाली देते हैं, लेकिन गाली देने से काम नहीं चलेगा। हमारी केन्द्र में सरकार क्या करती है। नगालैण्ड में जाइये, वहां पर क्या हो रहा है—कहीं रेलें बंद कर देते हैं, सड़कें बंद कर देते हैं, जाने का रास्ता बंद कर देते हैं। हमारी सरकार कम्युनिस्ट और सी० पी० आई० पर आक्षेप करती

है। यदि असंतोष की अग्नि भड़केगी, तो आप जितने बैठे हुए हैं सबको खा जायेगी। आप जनता जनार्दन के हित में कोई काम करते हैं, बैंकों का राष्ट्रीयकरण होता है या कोई इसी तरह का फैसला करते हैं, तो सुप्रीम कोर्ट के जज और जो बड़े-बड़े वकालत करते हैं, अपना दूसरा निर्णय दे देते हैं, कोई जज कहता है वह ठीक है। सारी जनता के प्रतिनिधि यहां बैठ कर कोई काम जनता जनार्दन के नाम पर करते हैं और वहां जाकर रद्द हो जाता है, यदि यह जारी रहा, तो यह पार्लियामेंट नहीं रहेगी, सुप्रीम कोर्ट भी नहीं रहेगी, जज साहब नहीं रहेंगे, सब खत्म हो जायेंगे। इसलिये मैं यह सरकार को चेतावनी देता हूं, विपक्ष दल के लोगों को भी चेतावनी देता हूं कि जल्द से जल्द यदि 1971 की 26 जनवरी तक इंडियन सोशलिस्ट रिपब्लिक घोषित नहीं होता है और सभी इन्डस्ट्रिज, जितनी बेसिक इन्डस्ट्रिज हैं, टी गार्डन हैं, रबर गार्डन हैं, विदेशी बैंकिंग कंपनियां हैं और जो शिड्यूलड बैंक बाकी रह गये हैं, जितनी इन्वयोरेंस कंपनियां हैं, खानें हैं, जितनी भी चीजें हैं बेसिक इन्डस्ट्री की, उनका समाजीकरण नहीं होता, तो देश में उन परिस्थितियों का निर्माण होगा। हमारा जो मौजूदा कांस्टीट्यूशन है, संविधान है, क्या यह एक मनुस्मृति है, हमने तो मनुस्मृति की जगह अम्बेदेकर स्मृति बना दिया। जब हम कहते हैं फुंडामेंटल राइट्स में मौलिक परिवर्तन होना चाहिये, तो प्रतिक्रियावादी लोग कहते हैं, संविधान में कोई चेन्ज नहीं हो सकता। अरे, आज दुनिया बदल रही है, स्पुतनिक उड़ रहा है, आप इस तरह से लोगों को मिसलीड क्यों कर रहे हैं, समय के मुताबिक चलने के लिये सरकार को प्रेरित करें कि इस तरह का आर्डिनेन्स लाएं, जो हमारा कांस्टीट्यूशन है, उसमें से फुंडामेंटल राइट, प्रापर्टी का राइट जाना चाहिये और कम्पेन्सेशन के क्लेम को खत्म करना चाहिये। तो स्वतंत्र पार्टी अपने स्वतंत्र विचार को रख कर, जनता जनार्दन को सामने रख कर, हमारी सरकार को मदद करें और कांस्टीट्यूशन में मौलिक परिवर्तन लायें।

यह मुआवजे का, क्षतिपूर्ति का, कम्पेन्सेशन का जो क्लेम है, इससे कोई काम नहीं निकलता है। जिनका आप राष्ट्रीयकरण करेंगे, उनको क्या देंगे कामरेड लेनिन ने रूस में क्या किया? जब वहां इंकलाब हुआ, सब चीजों, इन्डस्ट्री-कल-कारखानों का समाजीकरण हुआ। वहां यह काम कोई आई० सी० एस० या आई० ए० एस० लोगों से नहीं चलवाया। उन्होंने पूंजीपति लोगों को ही कई कई हजार रूबल मासिक वेतन देकर, उनको नौकर बना कर और उनके ज्ञान का जो तजुर्बा था उसको रख कर, उनको उतना खाने के लिये दिया कि जिसमें खुश हो कर वह कारखाना चला सके। ये आई० सी० एस० के या दूसरे आफिसर लोग जो बैठे हैं, ये क्या जाने कारखाना कैसे चलता है। इनका तो घाटे पर चलता है। तो उनको मुआवजे के रूप में नौकरी देकर उस काम में लगाइये और कांस्टीट्यूशन को अमेन्ड करें। एक बरस, डेढ़ बरस के अंदर नहीं, 1971 की 26 जनवरी तक आप सोशलिस्ट रिपब्लिक नहीं डिक्लेयर करेंगे, कांस्टीट्यूशन में अमेन्डमेन्ट नहीं करेंगे, तो जनता जनार्दन बैठने वाली नहीं है। आप हजार चिल्लाये कांस्टीट्यूशन में अमेन्डमेन्ट कर दिया है, तोड़ने के लिये कह दिया है, इससे काम चलने वाला नहीं है। इसलिये हमारी अपनी शिकायत है सरकार से, कुछ लोगों से है कि समय के मुताबिक चलें। हमारी 54 करोड़ की जो आबादी हो गई है, हमने अपनी आबादी आजादी के बाद इतनी बढ़ा दी है कि जितनी आबादी कुल रूस की है या अमरीका की है। हमारी बेकारी की समस्या का कैसे समाधान हो सकता है। इसलिये सरकार से हमारी दख्खान्त है कि स्वतंत्र पार्टी वाले क्या कहते हैं, सिडीकेट कांग्रेस वाले क्या कहते हैं, जनसंघ पार्टी वाले क्या कहते हैं, उसकी पर्वाह नहीं करें। अभी आपके पास जितने हैं, 2 कम्युनिस्ट पार्टियां हैं, डी० एम० के० है, कांग्रेस है और लोग हैं, जो प्रगतिशील हैं, उनके रहते अभी आपको मौक है कांस्टीट्यूशन में अमेन्डमेन्ट कर सकते हैं, रेडिकल चेन्ज ला सकते हैं। अमरीका के पास क्यों आप कर्ज लेने के

[श्री शीलभद्र याजी]

लिये जायें। हिन्दुस्तान में इतना धन है, आज जो 100 परिवारों के हाथ में धन है, उस धन को अपने हाथ में लेकर आप क्या एक नीड बेस्ड सैलरी अपने मुलाजिमों को नहीं दे सकते हैं। उससे ज्यादा ही दे सकते हैं। इसलिये आपको कहीं से मदद लेने की आवश्यकता नहीं पड़ सकती है। जरा टैक्स बढ़ जाता है तो सारे लोग चिल्लाने लगते हैं। राष्ट्रीयकरण के बाद सारी आपकी पूंजी हो जायेगी, आपको न रूस के पास मदद के लिये जाने की जरूरत है, न अमरीका के पास जाने की जरूरत है, न कनेडा के पास जाने की जरूरत है। इसको करने के लिये आवश्यक है कि मौजूदा कांस्टीट्यूशन में अमेन्डमेन्ट होना चाहिये, मौलिक परिवर्तन होना चाहिये, फुन्डामेंटल राइट आफ प्रापर्टी जाना चाहिये। यह जो कम्पेन्सेशन का क्लेम है वह जाना चाहिये। और ये सब नहीं जाता है, तो आपका कोई काम समाजवादी नहीं होगा। एक ओर आप राष्ट्रीयकरण करेंगे, दूसरी ओर वह सुप्रीम कोर्ट में रद्द हो जायेगा। शुरु मिलों के राष्ट्रीयकरण की बात आई, तो सुप्रीम कोर्ट से फतवा चला गया, जैसे बैंकों के राष्ट्रीयकरण का चला गया। कितने अमेन्डमेन्ट करेंगे, क्योंकि जज लोग तो कानून की बाल की खाल खींचने लगते हैं और खींचने लगते हैं तो कुछ कर नहीं सकते हैं। यदि आप चाहते हैं समाजवाद हो, तो इस कांस्टीट्यूशन में मौलिक परिवर्तन लाइये। जब तक समाजवाद की स्थापना नहीं होगी, इस देश की समस्याओं का समाधान नहीं होगा।

इसके साथ साथ, डिपुटी चेरमैन साहब, 26 वर्ष हो गये, हमारे जो 3 लाख आदमी आजाद हिन्द फौज के थे, आई० एन० ए० के लोग, जिनमें से 26 हजार तो शहीद हुए, उनका करीब 1 करोड़ 30 लाख के एरियस हैं, बकियोटा है। अंग्रेजों ने उनको फौज से निकाल दिया, उन्होंने कहा ये बागी हैं। उसके बाद हमारी नेशनल गवर्नमेन्ट बनी, इन्टरिम

गवर्नमेन्ट बनी। कोशिश करते करते पच्चीस वर्ष हो गये। इतने अरसे में जो इन आइ० एन० ए० के लोगों का 1 करोड़ कितने लाख का एरियर था, वह चक्रवृद्धि व्याज, कम्पाउन्ड इन्टरेस्ट जोड़ने से डबल हो जाता है। हमारी सरकार ने पच्चीस वर्ष के बाद कट कटा कर 87 लाख रु० कर दिया और फिर क्या कहा कि कुछ को रुपये मिलेंगे और कुछ को पेपर बौन्ड दे दिये। उनमें से कितने लोग अब बढ़े हो गये, कुछ जिंदा हैं। अंग्रेजों ने व्हाइट को दे दिया, ब्राउन को दे दिया, जो लोग आजाद हिन्द फौज में लड़े सबको दे दिया, सिर्फ जो ब्लैक थे उनको नहीं दिया। उनके लिये कहा नहीं देंगे। तो उनका इतना रुपया बाकी है। कितने सारे काम फजूलखर्ची के होते हैं, लेकिन जो आजादी को लाने वाले हैं, जो आपको गद्दी पर बिठाने वाले हैं, जो शहीद हुए, जिनकी कुर्बानियों से आप वहां बैठे हैं, उन सिपाहियों का अब भी बकियोटा बाकी है और हमारी सरकार देती नहीं है। इसलिये डिफेन्स मिनिस्टर साहब से हमारी गुंजारिश है, ये जो पूरे के पूरे लोग जो किसी जमाने में उन्हीं के साथ फौज में काम करते थे, जो देशभक्ति में आकर आजादी की लड़ाई में लग गये और शहीद हुए, जिन्होंने कुर्बानियां दीं, उनके हिस्से का वह जो 87 लाख रु० बकाया है, जितना भी बकियोटा है, जो कि ब्राऊन और व्हाइट को मिल गया लेकिन ब्लैक को नहीं मिला, तो वह 1 करोड़ 30 लाख के करीब चक्रवृद्धि व्याज से, कम्पाउन्ड इन्टरेस्ट से डबल करके उनको दे दें। अगर डबल नहीं करते तो कम से कम जितना बाकी है वह तो जल्द से जल्द देना चाहिये, नक़द दे देना चाहिये। पेपर के बौन्ड पकड़वाने से क्या होगा, एक सिपाही को 500 मिलेगा, एक आफिसर को पांच छः हजार मिलेगा। जो लोग आजादी की लड़ाई में सिपाही लगे रहे, वह हमारी सरकार को इतने निकम्मे लगे कि सेना में उनको जगह नहीं दी और यहां तक कि जितना उनको रुपया मिलना था वह भी नहीं दिया। इसलिये जल्द से जल्द इसको देने की व्यवस्था होनी चाहिये।

डिपुटी चेयरमैन साहब, मैं अंत में एक बात और कहना चाहता हूँ अपनी सरकार से और उसका मैंने इशारा किया—ला एन्ड आर्डर, कानून और व्यवस्था। अभी मैं त्रिपुरा, मणिपुर की ओर से आ रहा हूँ। आज कोई आंदोलन होता है, तो हमारी सरकार ठप हो जाती है। इसकी क्या वजह है। यदि आपको शासन करना है तो कस के शासन करो, नहीं शासन करना है तो छोड़ दो। आज की व्यवस्था क्या है—स्ट्राइक चल रही है, सारी ट्रेन बंद हैं, आज कोई सरकार है। उस सरकार को चुल्लू भर पानी में डूब कर मर जाना चाहिये। इस तरह से हुकूमत होती है? अगर शासन करना नहीं, उसको सम्भालना नहीं है, तो यह क्या है। आज मणिपुर में क्या हो रहा है। नागालैंड में होस्टाइल सेना परेड करती है और हमारी सेना देखती है और हमारी सरकार देखती रहती है। आज वहाँ पर सीजफायर है और एक ही देश होते हुए भी वहाँ पर हमारी सरकार सीजफायर करती है। यह सरकार का दबूपन नहीं है तो और क्या है। वहाँ से लोग चीन और पाकिस्तान चले जाते हैं और इस तरह से हमारे ही घर के अन्दर इस तरह की बातें होती हैं। तो मैं यह निवेदन करना चाहता हूँ कि इस तरह से शासन चलने वाला नहीं है।

मणिपुर, त्रिपुरा और हिमाचल प्रदेश तथा गोआ की जनता जो इस समय मांग कर रही है, वह एक सही मांग है। अमेरिका में 50 स्टेट्स हैं तो उसका क्या बिगड़ गया है। मणिपुर का स्टेट बहुत पुराने काल से, महाभारत के काल से एक स्टेट के रूप में था और उसकी अपनी भाषा है। जब नागालैंड का एक स्टेट बन सकता है, जिसकी आबादी 4 लाख के करीब है, जिसका कुछ रेवेन्यू नहीं है, जब उसको स्टेटहुड दिया जा सकता है, तो जो प्रदेश महाभारत काल से एक स्टेट के रूप में था, उसको स्टेटहुड क्यों नहीं दिया जा सकता है, यह बात समझ में नहीं आती है। अगर आप उसको स्टेटहुड नहीं देते हैं, तो वहाँ पर और ज्यादा आन्दोलन होगा। आप जानते हैं कि आज वहाँ

पर क्या हो रहा है। जितनी भी पार्टियाँ हैं, वे वहाँ पर आन्दोलन कर रही हैं और जेल भरे जा रहे हैं। वहाँ के लोग, नागालैंड के लोग, वहाँ के नौजवान चीन और पाकिस्तान ट्रेनिंग लेने के लिए जा रहे हैं और वहाँ से शिक्षा लेकर यहाँ गड़बड़ी करने की कोशिश करते हैं। आज ये लोग चीन के साथ मिल गये हैं और इस तरह से हमारे सामने एक समस्या खड़ी हो गई है।

मणिपुर, त्रिपुरा और हिमाचल प्रदेश ये हमारे बार्डर स्टेट हैं, अगर उन्हें स्टेटहुड दे दिया जाता है, तो इसमें सरकार का क्या बिगड़ता है। अगर वहाँ से रेवेन्यू नहीं आती है तो नागालैंड की भी तो फाइनेंशियल कंडीशन अच्छी नहीं है और जब नागालैंड को स्टेटहुड दे दिया गया है, तो इन प्रदेशों को क्यों नहीं दिया जाता है। तो मैं यह निवेदन करना चाहता हूँ कि अगर वहाँ पर ला एन्ड आर्डर कायम करना है, शान्ति व्यवस्था रखनी है, उस प्रदेश को अपने साथ रखना है और अपने देश की सिक्योरिटी की हिफाजत करनी है, तो जल्द से जल्द त्रिपुरा, मणिपुर, हिमाचल प्रदेश और गोवा को स्टेटहुड दिया जाना चाहिये। इन प्रदेशों को स्टेटहुड देने से सरकार का क्या नुकसान होता है और इसलिये मैं यह कहना चाहता हूँ कि इन्हें जल्द से जल्द स्टेटहुड दे देना चाहिये। अगर आप इन प्रदेशों को स्टेटहुड नहीं देते हैं, तो वहाँ पर अनेक समस्याएँ खड़ी होंगी, आन्दोलन होंगे और जो लोग चीन तथा पाकिस्तान से ट्रेनिंग लेकर आ रहे हैं, वे हमारे देश के लिए खतरनाक साबित होंगे। इसलिए अगर वहाँ पर कानून व्यवस्था रखनी है, ठीक तरह से काम करना है, तो वहाँ पर जो लोगों की समस्याएँ हैं, खाने, रहने तथा कपड़े की, उन्हें आप को जल्द से जल्द हल करना होगा और अगर आप नहीं करते हैं, तो वहाँ पर सरकार के लिये अनेक समस्याएँ खड़ी हो जायेंगी।

आज हमारे देश की क्या हालत हो रही है उसे देखा जाना चाहिए। आज कलकत्ते में श्री चटर्जी की देख रेख में हड़ताल हो रही है और

[श्री श्रीलक्ष्मण याजी]

हमारी सरकार भी उस हड़ताल में शामिल होती है। सरकार कहती है कि हवाई जहाज नहीं चलेंगे, ट्रेनें नहीं चलेंगी और वहां पर कोई भी सवारी गाड़ी नहीं चल रही है। जब ऐसी हालत है, तो उसे कोई सरकार कहा जा सकता है और क्या इस तरह से कोई सरकार चलती है। इस तरह से सरकार चलने वाली नहीं है। इसलिये मैं निवेदन करना चाहता हूं कि अगर कानून व्यवस्था को रखना है, तो श्री चटर्जी, श्री ज्योति बसु और इस तरह के जो प्रो चाइनीज और प्रो पाकिस्तानी एलिमेंट्स हैं, उनको कसकर ठोकना चाहिये, तब ही हमारी आजादी रह सकती है तथा देश की अखंडता रह सकती है अन्यथा नहीं रह सकती है।

इन शब्दों के साथ मैं फिर बजट प्रस्तावों का अनुमोदन करता हूं। जय हिन्द।

SHRI A. P. CHATTERJEE (West Bengal) : Mr. Deputy Chairman, Sir, the Prime Minister's Budget Speech began with these words—

"It is generally accepted that social, economic and political stability is not possible without the growth of productive forces and the augmentation of national wealth. Also, that such growth and increase in wealth cannot be sustained without due regard to the welfare of the weaker sections of the community."

These words, I should say, have a family resemblance to what was said at the time of the Third Plan. The Third Plan admittedly was a retreat from the so called socialistic pattern to the capitalistic development and it was stated while presenting the Third Plan that "a high rate of economic growth sustained over a long period is an essential condition for achieving and raising the level of living for all citizens, especially for those in the low-income groups". Mr. Deputy Chairman, these words ring almost equally hollow and also have an equal significance. The significance is this that the Prime Minister in presenting the Budget is following in the footsteps of the earlier Finance Ministers, and following in the footsteps of the earlier Finance Ministers she has presented a Budget which is adding to

the riches of the rich and making the poor poorer. I am not saying this as a point of oratory. In fact, if you look at the history of the four Five Year Plans or rather three Five Year Plans and what is now called the Fourth Five Year Plan, you will find that at the end of the First Five Year Plan we had an official unemployment figure of 5.3 millions, at the end of the Second Five Year Plan we had an unemployment figure of 7 millions, at the end of the Third Year Plan we had an unemployment figure of 9.5 millions, and now we are carrying on an unemployment figure, official unemployment figure, of about 15 millions.

SHRIMATI YASHODA REDDY (Andhra Pradesh) : That is the progress.

SHRI A. P. CHATTERJEE : Yes, that is the progress. Not merely that. This is the progress which is being indicated by the Prime Minister in her Budget Speech also. Secondly since 1951-52 till about 1966-67 according to the official census and statistics we have found that there was a very paucity increase in production. An increase in production was there of course. Some 2.3 times increase in production was all that is there for all these twenty years or so. For all these twenty years we have found that there has been an increase in the real wages of the workers of only 20 per cent because the wages have increased no doubt by 76 per cent officially; because of the inflationary tendency to the extent of 56 per cent, the wage increase of 76 per cent has been wiped out and ultimately the working class has got an effective increase in its wages of only 20 per cent. So that shows that while the working class has been putting its bit in order that the production in the country may increase, we have found that they, the working class people, have been fleeced like any tiling and they have not been given anything in proportion to what they have put in, in energy, in labour, in work. Not only that. As far as the question of essential consumer goods is concerned, we have found this also that as far as the working classes or the toiling people are concerned, there has been a decline in the consumption of essential goods. I have got figures for 1967-68. I find that as far as cotton is concerned, there was 11 per cent less consumption by the people than in 1964-65. As far as edible oils are concerned, there was 14 per cent less consumption in 1967-68 as compared to 1964-65. As far as sugar is concerned, there was 17 per cent less consumption

in 1967-68 as compared to 1964-65. And as against this we find that in the years 1961 to 1966 the manufacture of motor cars rose by 27 per cent, the manufacture of airconditioners rose by 44 per cent, the manufacture of refrigerators rose by 292 per cent, the manufacture of confectioneries rose by 32 per cent and art silk by 51 per cent. Look at the food availability as far as the working population is concerned. We find that in 1968 though there was a bumper crop, per head of population there was available only 166.6 kgs. That was 3 per cent less than what it was in 1965 when the availability was 173 kgs. per head. So, what we find is this that investments are, of course, going on. Investment* are going on like anything because we have found that in the First Five Year Plan there was an investment of Rs. 3,360 crores, in the Third Five Year Plan there was an investment of Rs. 10,400 crores and in the Fourth Five Year Plan there was an investment of Rs. 21,350 crores. And as far as the Annual Plan Outlay in the present Budget, in 1970-71, for the Centre, the States and the Union Territories combined is concerned, it is of the order of Rs. 2,637 crores. Though there has been no dearth of Investments we are finding that, as far as the part of the people is concerned, it is increasing, unemployment is increasing, the rate of savings is not increasing. As far as the *per capita* income is concerned, it is stagnating round about Rs. 296 per year for the last 4 or 5 years. As far as the rate of savings is concerned, it is awfully low; it is always around 8 per cent, a year. Yet these huge amounts of investments are there in every Five Year Plan and in every year of the Budget. From where does this money come? It is coming through foreign assistance. As far as the Plans are concerned, in 1951-52 only 19 per cent, of the Plan outlay came through our own budgetary resources and 81 per cent. was contributed by foreign assistance, though the situation improved a little later. But as far as the Plan outlays are concerned, nearly 70 per cent, is always contributed by foreign assistance and only 30 per cent, is raised by our budgetary resource. Due to this foreign assistance we are compelled to send out, Sir,—I am giving you the figure from 1966-67—Rs. 192.5 crores. We find that remittances to foreign countries on account of profits, dividends, royalties and technical know-how have amounted to Rs. 192.5 crores. The total remittances on these accounts have amounted to Rs. 577.4 crores, Sir, for the years 1956-57 up to the 30th September, 1968. Now in the

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so-called Fourth Five Year Plan from 1969-70 to 1973-74 do you know the estimated total of repayment liability that we are contracting for? The total repayment liability would be Rs. 2,051 crores in the three years of the Fourth Plan and our foreign indebtedness up to the end of 1967-68 was Rs. 4,500 crores. In 1968-69 our indebtedness is still increasing further by Rs. 2,500 crores. Do you know the interest on this foreign indebtedness? We are sending out Rs. 100 crores by way of interest every year and we do not know how many more crores of rupees we will have to send by way of interest. So, this is the position about our indebtedness. Of course, Mr. Khadilkar has candidly admitted in this House that it is not a socialist Budget. After this candid admission by Mr. Khadilkar on the floor of the House Yesterday...

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI R. K. KHADILKAR) : That is not correct. Yesterday an argument was advanced from the Opposition side, if I mistake not, by Mr. Gurupadaswamy, He was arguing "You call it a socialist Budget, you claim it to be a socialist Budget. What is socialist about it?" Then I asked whether the hon. Member could point out where we have claimed that it was a socialist Budget. You see the record. I know a little of economics. If I were to claim that it is a socialist Budget in the sense we understand socialism, it would not be correct. Therefore I was saying—I could not conclude it—that direction and objective must be looked at.

SHRI A. P. CHATTERJEE : Very well, let that go on record, what Mr. Khadilkar has said. I am not worried about whether it is a socialist Budget or not. But I am really trying to show that Mrs. Indira Gandhi, in spite of her protestations—she protests a little too much—has produced a Budget which is still capitalist oriented because it is a Budget in which there is very little or nothing done for the poor.

Now, Sir, I am going into the question of taxation as given in the Budget itself. Sir, only in one Budget, a little before independence, in the Liaquat Ali Budget, there was the question of increase in direct taxes and decrease in indirect taxes, because it was thought that as far as direct taxation was concerned

[Shri A. P. Chatterjee] that should increase so that the capitalist class might be more and more squeezed and made to pay more and more. As far as indirect taxation is concerned, it is a known fact that it impinges more heavily upon the poorer sections of the people. Since those days seven Finance Ministers have come and gone and every time we have seen that the Budget has been placed in such a fashion that indirect taxation is now the only source of tax revenue of the country.

As far as this Budget is concerned, I must say with all respect for her— I must use a strong word here—she has said that nearly 75 per cent, of Central tax revenues are derived from indirect taxation; that is the truth she has committed; but she has shamelessly said that any attempt to impart greater strength to the fiscal system, therefore, cannot disregard the scope for increase in indirect taxation. Mr. Deputy Chairman, hypocrisy, thy name is Indira Gandhi. The point is that, as far as indirect taxation is concerned, everybody knows that it impinges heavily upon the poorer classes of the people; they are paying 75 per cent, of your revenues. Even after that, Sir, Mrs. Indira Gandhi, who talks of socialism outside, still thinks that the fiscal system cannot disregard the scope for increase in indirect taxation—

What has she done with regard to direct taxation? Mr. Deputy Chairman, direct taxation has been pitifully small. According to her own statement it will be only Rs. 5 crores in 1970-71. That is what she has said, and in 1973-74 perhaps a little more; she has said that it will be Rs. 23 crores. So Rs. 5 crores she is getting from the richer classes. As far as indirect taxation is concerned, the figure is staggering. In 1948-49 indirect taxation was only Rs. 50 crores and in 1967-68 it rose to Rs. 1214 crores; it was 55 per cent, of the entire revenue. Mrs. Indira Gandhi is not satisfied even with that. Now she has again increased the taxes on certain essential goods like diesel, kerosene, tobacco, sugar, etc. That is an index of the capitalist oriented Budget, because you do not tax the rich. You only get whatever you can from the poor. You get only Rs. 5 crores from the richer classes and you get about Rs. 135 crores from the poorer sections of the people. Mrs. Indira Gandhi has said that because of this indirect taxation by way of excise duties on these consumer goods she is expecting about Rs. 135 crores more.

We are already paying Rs. 1214 crores and thereafter Rs. 135 crores more. I 3 P.M. think excise duties have now become therefore about 60 per cent, of the budgetary resources of the country. What has she done for the richer community? She has abolished the export duty on tea. She has reduced the export duty on jute, jute webbings, jute, tarpaulin cloth and manufactures from Rs. 500 to Rs. 200 per metric tonne and as far as export duty on tea is concerned, it is completely abolished altogether. As far as excise duty on export-oriented goods is concerned, what has she done? The excise duty will be rebated to the extent it is exported. On that also they get rebate. As far as import duties are concerned, what do we find? On manufactured items it is raised from 27½ per cent, to 35 per cent and there is the import duty increase on motor vehicle parts and pharmaceutical chemicals. That means increase in the prices of medicines. Then there are the non-electrical instruments. As far as motor vehicle parts are concerned there is increased excise duty on diesel, on petroleum products and increased import duty on motor vehicle parts. It will mean that the motor fares and transport fares will be increased as far as the common people are concerned. This is the position as far as the Budget is concerned.

Then what about the public sector undertakings? I am only talking about one aspect of the public sector undertakings. The other day, I got some statistics given by the Steel Ministry. The Minister said that up to the present day, as far as the steel plants are concerned, the total accumulated loss is Rs. 1621 millions. I do not know, perhaps it means Rs. 162 crores. Now on the one hand therefore we find lesser taxation of the rich, and greater on the poor and as far as public sector undertakings are concerned, our Ministry manages them so excellently that they are giving losses year after year and the accumulated loss on the steel plants is Rs. 162 crores. Why is this loss so much? What is the reason? It is because as far as the public sector undertakings are concerned, they are being managed and conducted in the interest of the big business. The Mahalanobis Commission said that as far as the 101 business houses are concerned, each of them has taken more than Rs. 50 lakhs as loans from the financial institutions of the Government of India. We have found that the LIC, the State Bank of India

etc. have given greater loans, greater credit facilities to the big business houses. Xotonly that. Asfaras the pricing policy of the public sector undertakings is concerned, it is always done with an eye to the profit of the business community. Who does not know for what purpose the price of steel per tonne was increased by Rs. 73? Who does not know the pressures the Tatas and other big steel magnates have brought to bear on the Government for that? As far as the expenses on works are concerned, even those Works that can be done in the public sector are given in contract to the private sector in order that the private sector may earn a lot. I am a member of the Consultative Committee on Steel and I went on tour to Bokaro Steel Plant and that management had to admit that certain things which could be done by the Bokaro Steel Shop—they are very well appointed shops—are being given to the contractors so that the contractors may earn crores. So as far as this Budget is concerned, there is no doubt that this Budget is a Budget for giving incentives to the capitalists and you know what happened when this Budget was announced? In the Stock Exchanges in Calcutta and the Dalai Street of Bombay the stocks rose up. There can be no greater way of expressing gratitude to Mrs. Indira Gandhi on the part of the capitalists than in this way, by showing that the stock exchange shares began to spurt up as soon as the Budget was announced. It is not a socialistic Budget at all. It is a capitalist-oriented Budget and further, this Budget is again taking us down the ruinous path of greater subservience to foreign capital, greater surrender to the monopolists and a regression from any welfare measures that could have brought real benefit to the people and a Budget wherein we find that the people are being taxed more heavily and the people are being oppressed and persecuted and are being exploited more thoro ghly. It is also said like that. Shrimati Indira Gandhi has said that this is a Budget wherein she says that she has given incentives to businessmen so that the growth of the business may occur. May I conclude by saying that Shrimati Indira Gandhi's socialism is a little upside down. The growth in economy cannot occur by surrendering to the monopolists by giving concessions to them. Growth could have occurred only if the monopolist enterprises were nationalised, if the 75 business houses were expropriated. If that were done, if all that wealth were taken into our hands, then only growth could have happened. Therefore let not the

Congress people, let not Mrs. Indira Gandhi say that she is being a socialist. Let her say plainly the truth that she is here to serve the Birlas and others to whom she has given the Goa Fertiliser plant. It is playing hide and seek with your motives. You know all people can be fooled for some time, some people can be fooled for all times but all people cannot; be fooled for^all time.

SHRI SRIMAN PRAFULLA GO-SWAMI (Assam) : First I must congratulate our Prime Minister for the present Budget. This is definitely a Budget which has given a new lead, a new direction and a new approach towards the Welfare of our common people. This is the third time I am taking part in the Budget discussions. On the previous two occasions I was not happy. I criticised the previous Budget in 1968 and I made these remarks.

"Taxation there must be but there must be definite steps to meet the basic needs of common man in the Budget proposals, consistent with the declared and professed policy of democratic socialism. There is no indication of advancing the cause of socialism; rather it is indirectly helping to grow capitalism. Today unless we solve the basic needs of food and housing of poorest of men of our country, the U idget calculation will not help our ^untry to advance. Unless some of tLc urgent pressing political problems are solved, We cannot lead the country to progress with the Budget only."

This remark applied to the previous Budget of Mr. Morarji Dcsai, in 1968. To day I am happy that I have found a definitely different kind of Budget which has been placed by the Prime Minister. Outside the House and here also some people say that this is not a deviation, that this is the same pattern of Budget as before but for the first time in our history since the independence of India, an earnest attempt has been made to rearrange the Budget policy and programmes keeping in view the political ideology, that is, democratic socialim. I agree with Mr. Ghattejee. I can understand his arguments. But this is not a Marxist Budget and this cannot be a communist budget as we have accepted mixed economy.

SHRI A. P. CHATTERJEE : We don't expect that from you.

SHRI SRIMAN PRAFULLA GO-SWAMI : This is a Budget based on the democratic socialism which we have evolved suiting our pattern of life in this country.

SHRI AKBAR ALI KHAN : Don't attach much seriousness to Mr. Chatterjee. He is saying all this to please Mr. Jyoti Basu.

SHRI SRIMAN PRAFULLA GO-SWAMI : It can very well be understood why this Budget has been attacked from the Swatantra Party side and from the Jan Sangh side. Had this been for helping the capitalists to grow, then they would not have attacked it so severely and they would not have become so much disappointed as now. Anyway I do not want to enter into controversial points with other friends I want to give my own opinion. Today really I am happy to find that the present Budget, which is a progressive one, has given some directions and made some attempts to solve some of the basic needs of the common man. The taxation policy also is in favour of the common people. It is for the first time that a sincere attempt has been made to curb capitalist exploitation. We have seen in the present Budget a sincere attempt to raise resources and at the same time to curb disparities. Moreover, some relief measures to the low income groups are also provided. We are happy that our Prime Minister has assessed correctly the real situation of the country and tried to check the conspiracy of the vested interest and the richer classes of people. An earnest attempt is made to ease the lower middle class and the poor people. A new programme towards growth with social justice is rightly focussed. It is a focus towards social justice for the first time in our Budget. This has been a longstanding need in our poverty-stricken country. It is easy to criticise that the money provided for this social-justice scheme is inadequate. But we must consider that we have launched on this scheme for the first time. This is just a beginning, this is the starting point, and it will go on expanding and increasing. There are many progressive measures on the line of socialism, like the scheme for provision of pensions, the programme for rural development, then nutritious food for the children, and so on. All these are progressive programmes and compare well with those in any country under a socialist regime. Then another

thing; the taxation policy is also progressive taxation of urban lands and buildings is one of the most significant proposals which deserves support from us. Provisions in the Finance Bill are also improvements to curb the tendency to evade taxes. Of course I would have been happier if this taxation policy could go further to tax more the richer and vested capitalist class and ease the poor class. But this is just the beginning. Therefore it is not a very easy task to make a revolutionary budget however much we may expect it to have come. It is the beginning and it will go on increasing, and I have immense faith in the present Government, and particularly in the Prime Minister, who has given a new lead towards democratic socialism risking all. She has said about this. She has said that when she started this revolution she has had to face opposition inside our party. Our organisation has been split because of that opposition. There has been the attack from all sides and from all reactionary and vested interests, and a conspiracy had been going on. In spite of all these conspiracies she is carrying the country towards democratic socialism. For this I congratulate the Prime Minister and we are proud of her. Of course there has to be indirect taxation, but I cannot support the imposition of tax on sugar because sugar is an essential commodity and it is particularly essential for the children to grow further up. So this tax on sugar is not necessary and I hope this tax on sugar will be removed and sugar should be made as free and as cheap as possible to all sections of people, particularly because this meets the nutrition needs of children.

Then, Sir, about bank nationalisation. This is one of the revolutionary steps but we have been hampered in this by the judiciary. Well, this reminds me that we should change our Constitution according to the changed circumstances, because we have been always told that legislation is to be passed by parliament and the judiciary is to give interpretation of the language of the law. But here I find that we parliament passed the Bank Nationalisation Bill and, after the President gave his assent to it, it became an Act. But the judiciary, instead of giving interpretation of the Act, nullified the Act itself. Therefore, that is the hindrance, the nullification of the Act. When a Bill is passed by parliament and it becomes an Act, the debates in parliament and the intentions of the framers of that Bill enacted as an Act of Parliament should be understood by the

[Shri, Shriman Prafulla Goswami] judiciary and they should give their interpretation according to them. Now, Sir, without casting any aspersions on the judiciary I must say that the judiciary has outdated ideas and they are not committed to the present modern socialistic ideas of our country. This is not the case with the judiciary alone; this is the case with many top officials of our administration. I remember I heard from the Prime Minister that she is thinking about reforming the administration also, because we want certain persons at the top who are committed to our ideology, who will be able to carry out our committed policies and who will be able to implement progressively the committed policies. But here we find that our administration stands as a hindrance. This reminds me of another thing, the Administrative Reforms Commission. Now, Sir, this Commission was appointed a long time back—recently there was a question also—but it is still going on and they are producing voluminous reports. I should be excused when I say that this Administrative Reforms Commission has itself become another bureaucratic Government. They want certain extensions. It should not be the case. They ought to have given the direction how our administrative machinery should be patterned on democratic socialism within a short period of three months. But it is going on studying and studying, and there will be no end to it, it seems.

I must say that the present bureaucracy is the inheritance of the British imperialist bureaucracy and it has grown during all these twenty-two years into such a volume that it has become top-heavy. And there is also the creation of so many peripheral appendages, of officers, clerks, peons and so on. No doubt it has employed some people, but this sort of employment has not meant progress for our country. I require the employment of the common and low paid people employed in abundance in offices to be employed in productive fields, to be employed in the fields and in the factories. Let there be more employment that way. Let there be planning for such purpose and the planning should be done in such a way whereby more and more of our population can be employed in fields and factories, but not in these white collar jobs, not in doing file work and moving files from one place to another and producing nothing productive.

Now again I revert to the judiciary and I must say that today the judiciary has become very costly. You have got the Supreme Court, the High Courts and the District Courts, and this judiciary can be availed of only by the rich people and not by the poor people; it has become so costly. I pleaded on another occasion, when I discussed a previous Budget, that we must decentralise power and that we should give some of the powers of the judiciary to the *panchayats*, the municipalities and other institutions of local self government instead of having a multiplicity of courts and lawyers as is the case at present with the judiciary. I remember also that I pleaded on a previous occasion that 50 per cent, of the judiciary should be reduced and that 50 per cent, should go and that the common crimes and other things should go to the village *panchayats*, municipalities and other institutions of local self-government and that they should be made more powerful. Let them run their own affairs themselves. Let them have some of the planning also and let them implement the plan projects. Do not create more and more offices and add more and more officers and so many Class IV peons and *chaprasis*. This is the British pattern of imperialist administration and the same type of bureaucracy is going on. When we are committed to democratic socialism and when we want to implement it correctly, the administrative pattern should be changed and it should be changed to fit into democratic socialism. And this Administrative Reforms Commission should not be extended and I hope the Cabinet, the Prime Minister and the leaders would sit together and evolve some formula by which they can minimise the bureaucracy and decentralise the power to the people. While bureaucracy should be minimised I do not want that those persons who are in employment today should be sent out and made unemployed. Let those people, Assistance and others, go to the village; and carry on the work of primary education to which we are committed. Let everyone be made literate and let that job be done by them on the same salary. Today I have got personal experience; at the secretariat level and at the lowest level of district offices I find the clerks and clerks are sitting and noting and creating files upon files and the result is justice to the people gets delayed. Nobody is able to get any justice and the people get frustrated. So we must do something to revolutionise this administrative machinery.

MR. DEPUTY CHAIRMAN : You should wind up now.

SHRI SRIMAN PRAFULLA GO-SWAMI : Sir, I am happy to find that a provision has been made in the Budget for special assistance to States. It is said here : "Accordingly, it is proposed to provide Rs. 175 crores in the Budget next year to cover the gaps in the resources of certain States since otherwise it would be difficult for them to undertake Worthwhile Plan programmes." In this respect I should say that the State from which I come, namely, Assam, is lagging behind very much. There is regional imbalance and that has been there for a long time. I do not blame the present Government because since the British days it has been kept in such a backward State that it has not been able to come up and due to the political situation industrial entrepreneurs do not go there. Therefore I would urge upon the Union Government that they should start some public undertakings. Also the transport facilities in the State of Assam should be improved. In this respect I am grateful to the Prime Minister because recently in the last session of Parliament she has announced some package programme to remedy the regional imbalance and in our State petrochemicals, paper mills and other things are to be set up- I ask that the Union Government should pay more attention to Assam because our State is a frontier State and when I say Assam I do not mean only Assam; I also mean NEFA, Manipur, Tripura and Nagaland. The whole region needs to be developed fully in the matter of transport, broadcasting etc. Top priority should be given to this area not only because of the regional imbalance but also for the security of the country.

Previously I had criticised and pleaded that more money should be provided to the public sector. This time I am happy that the provision for expansion of the public sector has been increased from Rs. 160 crores this year to Rs. 202 crores next year. This is another indication that we support the public sector. I am not at all amazed to hear the Swatantra or the Jana Sangh opposing public sector and criticising it. May be there are some losses incurred in the public sector but this is the only way towards socialism. We cannot allow our country to be in the clutches of monopolists. The monopolists have become the greatest danger to our country and unless and until we curb the strength of the monopolists and the

capitalist class our country cannot prosper. Let there be some loss in the public sector. It is bound to be there because of high capital investment and because of provision of standard labour conditions may be the expenditure has gone up but because of that we cannot give up the public sector. After independence all the advantages of independence have been taken away by one class, namely, the capitalists who because of the protected market have made immense profits at the cost of the poor millions. They have also indulged in black marketing, evasion of taxes and so on.

Along with this I also want to say that the compensation clause should also be amended. I cannot like Marxists advocate appropriation of property but as a believer in socialism I should say that compensation should not be given at such a high rate. Let there be : some compensation for the poor people who are deprived of their land, houses or other things, but not the market value. Therefore the Fundamental Rights in the Constitution must be changed. They must be limited so that advantage cannot be taken of them by the rich people, by the capitalists. These Fundamental Rights have not given any advantage to the poor people, to the suppressed people, to the depressed people. They have only enabled the richer people to exploit the country.

MR. DEPUTY CHAIRMAN : That will do now. Please sit down.

Mr. Thillai Villalan, your party has got 24 minutes and there are some more who want to speak.

SHRI THILLAI VILLALAN (Tamil Nadu) : Only one other Member will speak.

Mr. Deputy Chairman, Sir, the hon. Mrs. Indira Gandhi, Prime Minister and also the Finance Minister of our country, has presented her maiden Budget.

Before analysing the important features of her Budget I want the following lines underlines, Sir, from her speech.

"...Social, economic and political stability is not possible without the growth of productive forces and the augmentation of national wealth... Such growth and increase in wealth cannot be sustained without due regard to the welfare of the weaker section of the community. It is necessary to devise policies... for the well being of the needy and the poor.

It is with this positive approach to problems of growth with stability and social justice that we have sought to give new emphasis and a new sense of urgency to economic policy. . .

"I have become aware of the challenges as well as the constraints of the contemporary epoch of development of our national economy. I have endeavoured to set out the broad framework within which the Budget is cast. That framework... is consistent with the political, economic and social realities of the country."

Please note the words stability, social justice, policies for the needy and the poor, challenges and constraints and realities of development of national economy. By these lines, loaded with these words, she made it clear that the Government's approach is a socialistic one. But by the intervening speech the hon. Mr. Khadilkar says that she has never claimed that this Budget is socialistic in the Budget speech.

Sir, we are always ready to applaud any measure which will improve the lot of the common man, *i.e.*, the needy and the poor in the words of our Prime Minister, but we will oppose with all our might any attempt to deteriorate their condition.

I join hands with the ruling Congress when I see the measures to benefit small farmers and agricultural labour, employment opportunities to the educated and uneducated unemployed, nutrition programmes for children, housing and urban development, rural water supply schemes and social security benefits for industrial workers and Government employees. I am ready to say that the Budget has socialism as its basis.

But Sir, when I see that the price of kerosene, sugar, vanaspati, textiles, newspaper, cement, cigarette, coffee, aerated water and petroleum is raised, I cannot say that the common man is spared. It is really a considerable concession when the exemption limit of income-tax has been raised upto Rs. 5000 but Prof. Bhootalingam recommended in his Report that the exemption may be allowed upto Rs. 7500. This may be accepted. Further, Sir, the corporate tax is not touched or altered. The needy and the poor is not left out. We have experience of seeing goods of good quality in the

show-case, but of very bad quality within the shop. The Congress socialism originated in Avadi in our State. It is not real socialism, but model socialism or socialistic pattern. Here also, Sir, when we see both the income and expenditure proposals of the Budget we will find only show-casfrn, but not socialism, either model or real. Anyhow, the Union Budget remained a challenge to her for many months. To a certain extent she had met the challenge successfully by presenting the Budget with determination to go ahead with those progressive, immediately implementable schemes that are within the capacity and strength of her Government.

I want to view the Budget from the angle of my State, Tamil Nadu. My approach is mainly static, not socialistic. The root of our finance is federal. Therefore, we must analyse the present position of the State and the Centre in fiscal matters during the time of presentation of the Budget. Important economic policies are evolved only at New Delhi but not at Madras, Calcutta or Bombay. This was not questioned before 1967, when a monoparty was ruling in the States and in the Centre, but now parties have formed Governments in States different to that of the Centre. The Centre is the monarch and the State is the mendicant in the economic field. This position is the root-cause of all the economic evils in our country. The recent recession, stopping of innumerable industries, scarcity of food, are all due to the monetary and fiscal policies of the Centre. Regarding demand, supply and the price of commodities, the States are not consulted. There should be closed contact between the State and the Centre in matters of national economic policies. The National Development Council alone will not serve the purpose. We must invoke article 263 and form a Federal Economic Planning Council.

Further, in the name of national integration, we should not centralise all resources at Delhi.

Of course, Sir, we welcomed the move for the nationalisation of banks, but we should see that these banks are not centralised.

The industrial policy followed by the Centre is also to be reviewed. The procedures for the grant of licenses are to be liberalised. Whenever any major decision is taken, the respective State should be consulted. Even now entrepreneurs are threatened with cumbersome procedures and

[Shri Thillai Villalan]

innumerable unwanted clearances. There must be decentralisation of the powers which are now heaped like huge mountains with the Centre, and make necessary arrangements to avoid inordinate delays in the issue of licences to new industries.

It is really a disheartening episode if we analyse the Centre-State financial relationship. In the total pool of resources our share decreased from 72 to 6.9 per cent. Our share of income-tax has decreased from 8.34 to 8.13 per cent. In Union excise duties, it has fallen from 7.18 to 6.5 per cent and in respect of additional excise duties it has been lowered from 11 to 9.63 per cent. Above all, the deficit grant for the five years 1969-74 has been reduced from Rs. 34 crores to Rs. 23 crores. It is a gross injustice done to Tamil Nadu by this Government.

Another sorrowful chapter in the book of Centre-State economic relationship is the States indebtedness to the Centre. This will be clear from the fact that we have to repay Rs. 160 crores for the Rs. 140 crores we receive from the Centre. Therefore, it is essential that the rescheduling of the debt of the States should be done immediately. The debt of Tamil Nadu may be rescheduled to the tune of Rs. 50 crores and I also request the setting up of a federal commission for this purpose.

The Government of Tamil Nadu has submitted a plan for Rs. 624 crores to the Planning Commission regarding schemes sponsored by the State. It requested you to include the Salem steel plant, the Sethusamudram project, the second mine-cut of Neiveli and the second stage of Kalpakkam. The total amount required would be at least Rs. 575 crores for the State schemes. So far as the Salem steel plant is concerned I want to make a special mention of it now. The people of the State are agitating for over a decade now. Expert after expert came and certified that the project is possible, feasible and viable, but no decision has been taken by this Government finally. I request that an early announcement of the sanction of the steel plant may be made by this Government.

We know that preparing a Budget is just like dancing on a tight rope. With the strained relationship between the State and the Centre, how can the

Centre implement its proposals? Therefore, I would submit that a reappraisal of the Centre-State financial relationship at least should be made and the necessary amendment of the Constitution also should be made immediately.

We cannot construe that Tamil Nadu is a backward State. It is industrially backward. The backwardness should be driven out by a liberal licensing policy of the Government. In agriculture also most of the districts are barren, except Thanjavur. The district of Ramanathapuram is more or less a famine-stricken area. The facilities to small farmers for dry farming announced in the Budget should be extended to the farmers of this area.

There are three million graduates and fifteen million matriculates who are unemployed in the country. In our State most of the matriculates are unemployed. For instance, the Tamil Nadu electricity system announced the selection of 2,500 clerks for the department. For this, the department received 2,30,000 applications. If this is the state of affairs, how can we tackle the problem of unemployment? Therefore, I request that opportunities of the first order must be given to the unemployed of our State.

We are struggling for integration in one way and allowing disintegration in another way. We want social, political and economic stability. I also want political morality. I do not want to name any State or any individual, but in a State where no 'Aya Ram or Gaya Ram' has showed his ugly head, if a leader, who is having only eight votes, no alliance or adjustment with any of the political groups or parties, claims that he will win in the ensuing Rajya Sabha election, what does it mean? Is it not foul play or a dirty, corruptive way in politics? Is this not political immorality? This should not be encouraged.

Further, we are inviting instability in the name of language. Is it necessary now to compel the employees in Tamil Nadu to learn Hindi during office hours and treat their absence as absence from duty? Is it not against the assurance given by the late lamented, beloved Prime Minister of the country, Nehru? Has he not given the assurance that so long as the non-Hindi-speaking people do not want Hindi, English will continue? Then, what is the purpose of this compulsion? Our revered - Anna, beloved Chief Minister of Tamil

Nadu, has put a full stop to it by passing the unanimous resolution of the two-language formula, namely, Tamil and English. Why should you unnecessarily wake the sleeping tiger of the language problem once again in our State? The language problem is not solved unless the Constitution is amended to remove the provision which gives to *one* regional language the status of the official language of the country. Therefore, I request that immediate steps be taken to remove the compulsion by the unjust and hasty orders of the Government. I can say in this connection that the DMK is for the welfare of the needy and poor. It is wedded to real socialism, not any model socialism. Therefore, it will support any progressive measures by anybody in the Government and it will oppose any reactionary measures by anybody in the Government. The support offered to the present Government headed by the hon. Mrs. Indira Gandhi, the Finance Minister, the author of the Budget, is not unconditional. We are not thrusting our support on anybody with any ulterior motive. If she goes against the welfare of the needy and the poor in the country, renders injustice to the non-Hindi people in general and the people of Tamil Nadu in particular, fail to implement the assurance given by her father to the people of this country in the domain of language and violates the well known principles of socialism, we will stoutly oppose her without any hesitation.

Therefore, Sir, I welcome the proposals which are intended for the welfare of the needy and the poor and at the same time *no* the other proposals which are the root cause for the raise of rates of the commodities which are used by them in their every day life.

Ollum Vakaiyan Arivinai Ovale Chel-lum Vayellam Cheyal.

Thiruvalluvar by this couplet says : "Do the right thing wherever possible and whenever necessary". That is the motto of the D.M.K. Men or Madams may come in power or fro from power in the Centre but the D.M.K. will be troing on in its own way.

Thank you.

MR. DEPUTY CHAIRMAN : Mr. Neki Ram.

श्री मान सिंह वर्मा (उत्तर प्रदेश) : आन ए पौइन्ट आफ आर्डर । सदन में कोरम नहीं है ।

श्री नेकीराम (हरियाणा) : आदरणीय उप-सभापति जी, हाउस के सामने जो साल का लेखा-जोखा, जिसे बजट कहते हैं . .

SHRI G. A. APPAN (Tamil Nadu) : Sir, on a point of order. There is no quorum.

MR. DEPUTY CHAIRMAN : The quorum bell is already rung.

SHRI G. A. APPAN : Why should he continue at all, Mr, Deputy Chairman.? He can keep quiet for some time. We should keep the decorum and dignity of the House. When a Member has raised the point, the Chair has to respect the wish of the House.

MR. DEPUTY CHAIRMAN : The quorum is there. You proceed.

श्री नेकीराम : बजट में जो टैक्स रखा गया है, वह गरीब लोगों की मदद करने के लिए या जो असली रखवाले हैं, जो जोत को पैदा करने वाले हैं, उनके लिए बहुत कम रखा गया है ।

सबसे पहले मैं कृषि के बारे में थोड़ी सी बात करना चाहूंगा । मैं यह कह सकता हूँ कि राजाओं के राजा हैं, तो वे किसान हैं । उनके सामने कई दिक्कतें हैं । हर साल दैवी प्रकोप से उनका जितना नुकसान होता है, उसके ऊपर ध्यान देने की आवश्यकता है । दूसरे देशों के मुकाबले में दैवी प्रकोप यहां ज्यादा होते हैं और कई तरह के होते हैं, जैसे वर्षा न होना, वर्षा का समय पर न होना, वर्षा का अधिक होना, ओलावृष्टि, बीमारी आदि-आदि । इनमें से दो-तीन मुख्य हैं, जो देश में किसी न किसी वक्त फूट पड़ती हैं । इसके लिये उपसभापति महोदय, आपके द्वारा मैं सरकार से यह कहना चाहूंगा कि जहां बारिश करवा सकते हैं, वहां इस ओले को रोकने के लिए हमारे वैज्ञानिकों से कहा जाना चाहिए, जिससे यह अरबों रुपए का जो नुकसान होता है वह बच सके । दूसरी

[श्री नेकीराम]

बात मैं यह भी कहना चाहूंगा कि भारतवर्ष में एक पुराना रिवाज चला आ रहा है खेती करने का, उसमें कृषि के वैज्ञानिकों ने पैदावार बढ़ाने के लिए अच्छे बीज पैदा किए, लेकिन देवी प्रकोप से फसलें मर जाती हैं और आज आबादी को देखते हुए इस बात की आवश्यकता है कि जमीन के नीचे, मिट्टी में फसल पनप सके वैसे बीज की भी खोज करनी चाहिए, जिससे इस मुसीबत का मुकाबला यह देश कर सके।

यह जो प्लानिंग चल रही है, उसके बारे में एक मिसाल मैं हाउस के सामने रखना चाहूंगा। कमजोर लोगों की मदद गवर्नमेंट तो करती है परन्तु नीचे जाकर पता नहीं क्या हो जाता है, वह सारी इधर-उधर हो जाती है। उपसभा-पति, यू० पी० में कुछ लोग बसाए गए थे एक्स-सर्विसमैन गंगा-ख़ादर में। बसाने वालों ने पता नहीं कैसा एरिया पकड़ा। वह ऐसा एरिया है, जहां हर साल पानी भरता है और फसल मर जाती है। उन लोगों को वहां से उठा कर जिला रामपुर यू० पी० में एक सैजनी नदी है उसके ऊपर बसाया। वहां न कोई स्कूल है, न मार्केट है, न आने-जाने का रास्ता है। बीच में जो नदी है उसके ऊपर पुल न होने से उनको बड़ी दिक्कत है। दूसरे गांव में जहां स्कूल है, वहां जाने के लिए या मार्केट में जाने के लिए कोई रास्ता नहीं है। यह ऐसी मिसाल है जो सारे हाउस की समझ में आ सकती है। 50-60 लोग ख़ादर में डाल दिए। करीब 12 साल तक वहां बस नहीं सके, हर साल फसलें मरती रहीं। उसके बाद यहां बसाए गए। जमीन अच्छी मिल गई, लेकिन बच्चों का स्कूल नहीं है, 5-5, 6-6 साल के बच्चे स्कूल जाने के लिए नदी कैसे पार करेंगे। मार्केट जाने के लिये कोई साधन नहीं है। मजे की बात यह है कि लिखने के बाद भी यू० पी० गवर्नमेंट ने कोई ध्यान नहीं दिया, चिट्ठी गई उसका जवाब नहीं दिया। इस वास्ते नहीं कह रहा हूं कि किसी की नुक़्ताचीनी करूं, इसलिए कह रहा हूं कि स्कीम तो है, लेकिन चलाने वाले अच्छी तरह नहीं चलाते।

तो मैं प्रार्थना करूंगा कि इन चीजों की तरफ ध्यान देते हुए इस बजट में कृषि के लिए जो पैसा रखा गया है, उसको ज्यादा बढ़ाएं। इन शब्दों के साथ मैं आपका धन्यवाद करता हूं।

SHRI T. K. PATEL (Gujarat) : Mr. Deputy Chairman, this year there were high expectations both amongst Members of Parliament and the general public of a radical socialistic Budget. But what started with a bang seems to have ended in a whimper. Anyone who has carefully followed the Budget of this year and compared it with the Budgets of the previous years will find that this Budget shows no new awareness for the common man. In fact, the principles of Welfare State and equality of opportunity, social justice etc., have been enshrined in our Constitution and the planning which has been undertaken by successive Five Year Plans was basically intended to create an egalitarian society. The Bangalore Session of the A.I.C.C. held in July last accepted the stray thoughts of the Prime Minister which gave further proof that the Congress was wedded to the progress of the country towards a Welfare State. But things moved swiftly thereafter. The Finance Minister who stood by certain principles and who was responsible for many bold measures in his several Budgets and who mobilized measures to fight a war in 1963 was suddenly dispensed with. What happened thereafter is known to all and I have no desire to go into the details, but lots of slogans are heard these days in the name of people, the common man, the Janta, as if prior to July 1969 our leaders had entirely ignored their interests... To my mind political opportunism, is made to wear the cloak of economic progress and socialism. Time alone will show what all these slogans have in store for us. However, I am one of those who believe that if we really go forward towards economic progress and equality, all will be happy, whatever the complexion of the Government in power.

Sir, we hear every day that we are living in a new atmosphere and a new climate is being created for the common man, that there will be greater emphasis on public sector and that the monopoly will be curbed. The expansion of the public sector and larger control of our economy in the various fields will ultimately lead to greater control by the bureaucracy. I would, therefore, like to submit before this House whether we are really having the necessary administrative apparatus

for implementing the new-fangled ideas. I feel that an honest and efficient administration is the first prerequisite for implementing the economic policies of the Government. Sir, we have been promised purity of administration and integrity in services. This is as it should be but are the actions of the Government conducive towards this objective?

In this context, I would like to mention a very glaring case in which a top officer belonging to the all-India Service who was charged with corruption had been lightly let off by this Government. Sir, I beg to refer to the case of Shri J. D. Nagarvala who belongs to the cadre of IPS and who was at one time Inspector-General of Police in Gujarat. A few facts about his case and how it has been handled by the Government would not be irrelevant.

In 1963, certain allegations of serious misbehaviour on the part of Shri Nagarvala the then Inspector-General of Police, Gujarat State, were brought to the notice, of the State Government both on the floor of the Legislative Assembly and outside. The State Government investigated these allegations through its Anti-Corruption Bureau and subsequently appointed a one-man Commission consisting of a High Court Judge, Justice Shri B. J. Divan. The Divan Commission held public inquiry from June, 1965 to March, 1966 and its findings were that out of 18 charges, Shri Nagarvala was found guilty of 13 charges out of which 6 charges involved moral turpitude such as forgery, criminal misappropriation of a large sum of money, furnishing false information to the Gujarat Assembly and enriching his family and friends by abusing his official position. As he was an IPS officer, the Gujarat Government referred the case along with the findings to the Government of India. The President of India issued a show-cause notice for dismissal to Shri Nagarvala in August, 1966 to which he replied in January, 1967. Thereafter, the UPSC was moved but this august body sat on the case for 15 months, from March, 1967 to June, 1968 and advised the Central Government that Shri Nagarvala should be reduced in pay Rs. 2875 to Rs. 2500 p.m. for three years. After the receipt of advice from the UPSC, the Central Government referred the matter to the State Government again. The Gujarat Government gave detailed comments on this and

pointed out how the UPSC had made several incorrect assumptions in favour of the officer and overlooked many vital facts. The view of the Gujarat Government was that the appropriate penalty should be either dismissal or removal from service even on the basis of the findings of the UPSC. The matter was therefore again referred to the UPSC by the Government of India but it stuck to its earlier advice which was not related to the seriousness of the charges levelled against Shri Nagarvala. However, after the advice of the UPSC was received, political developments with which we all are aware took place and the Central Government advised the Gujarat Government to accept the punishment recommended by the UPSC and to reinstate Shri Nagarvala in service. The findings of the UPSC were not helpful to Shri Nagarvala as it was held that 10 charges out of 18 had been proved against Shri Nagarvala. If this was so, it should have followed that the only punishment could be dismissal or removal from service. But this natural sequence did not take place and all that was recommended was reduction in pay for three years.

This is a typical example of 'digging a mountain and finding a mouse'. It is now for the hon. Members to consider whether it was proper for the UPSC to differ from the findings of the High Court Judge with which the Government of India had also concurred. In this connection, I may mention that in the Chief Justices' Conference in 1965, it was resolved unanimously that a convention should be set up that the findings of the Commission of Inquiry on questions of fact should be accepted by the Government. As I have pointed out, the charges, *inter alia*, related to misuse of official position and violation of certain established procedures and supplying incorrect information to the State Legislature. Can these charges be considered less serious simply because some extraneous considerations have come into being? It seems that the game of hockey in which Shri Nagarvala is keenly interested provided the necessary bonds and this game helped him in getting the punishment watered down. We come across cases of petty officials being dismissed for taking small bribes but here was a highly placed Police Officer found guilty of serious charges involving moral turpitude and abuse of official position, and what he got was reduction in pay by three years. I would like to ask the Government how do they reconcile their professions with practice. Highly-placed officials

[Shri T. K. Patcl]

manage to escape with light punishment but the small fry get the severest punishment. How is it possible to set up a clean and efficient administration when such things happen? Shri Nandaji who now adorns the Treasury Benches was the father of the Sadachar Movement and he had taken a vow to root out corruption from the Government. Our friend, Shri K. K. Shah, was also closely associated with Shri Nandaji and the Sadachar Samiti. But what happened to Shri Nagarvala is an eye-opener to all concerned. The light-hearted manner in which the case has been handled exposes the Government's claim that it stands for clean and best administration.

In this context, I would like to draw the attention of the House to the recommendation of the Santhanam Committee which the Government have accepted, according to which a public servant can be retired when he attains the age of 50 if his record is not satisfactory but against whom nothing definite can be proved. Here is an IPS officer who is above 55 and even by the UPSC standards is held to be guilty on 10 charges and is punished—we may differ regarding the quantum of punishment—but he is not retired. The Government of India have gone out of their way to advise the State Government to reinstate him.

Sir, the Nagarvala case is very widely publicised and this officer has been held guilty on serious charges. How can the public of Gujarat accept such an officer and the authority of such an officer? What confidence will he inspire in the administration which he may serve? The normal course should have been to retire this officer but this has not been done. This case has been mixed up with tin can political development and the officer gets away with a mild punishment and the State Government has been placed in an embarrassing position.

I submit that this is a very serious matter and if the administration is to be run by officers of integrity, cases of corruption in high places will have to be dealt with in such a way that they act as deterrent to other officers and help in improving the standards and efficiency of the administration. Unless this is done, whatever socialistic policies this Government or its successor may adopt will not succeed. I therefore submit that the Nagarvala case may not be taken in the political context of today but a fresh assessment regarding the manner in which this case

has been handled after the findings of the Divan Commission may be studied by a Parliamentary Committee so that the various issues connected therewith could be brought to the notice of the House as well as the public. Unless this is done, I am afraid, it will not be possible for this Government to inspire confidence in its administration, efficiency and integrity.

In conclusion, may I point out that as a devoted worker of the Congress and also as one who has devoted his life-time in the co-operative movement in Gujarat if the Government is anxious to improve the lot of common man, they should adopt higher standards of administration which will inspire confidence in the public. It is only then the economic objectives and policies of Government will succeed. Thank you.

SHRI G. H. VALIMOHMED MO-MIN (Gujarat) : Mr. Deputy Chairman, Sir, I rise to welcome and support the Budget proposals. These are the proposals for which the people of this country and all thinking minds were waiting for in view of the present political climate, in view of our declarations to build up a socialistic, democratic structure. I think the Finance Minister has come out very successful.

Mr. Deputy Chairman, Sir, in the assessment of the Budget proposals the only criterion was if the richer classes welcomed it the first impression was that there was something to their interest. Here are Budget proposals which are welcomed alike. There is a complete consensus of opinion both in this august House and in the Lok Sabha and amongst all other political parties that it is a Budget which, without smothering the growth, provides also certain things which we call imaginative so that the society could be well built up. For example, though some limit of exemption is granted as far the middle classes are concerned, I still plead that there is necessity for further concessions to the middle classes and also the smaller classes. The value of money is gone. The pay of Rs. 500 or Rs. 700 which was something worthwhile, after devaluation, is reduced to an insignificant amount. And this class has to maintain also certain standards, give certain education to their children and then also live in a decent way. Therefore, more relief should have been given. Still whatever relief has been given is heartening.

Now in the matter of taxation the burden is shifted from the poorer shoulders to the shoulders of those who can bear it. And one very significant fact is that even that class has not vehemently opposed the Budget proposals. It appears that even that class has come to realise that if a poor country like ours has to progress in all directions a forward step has to be taken if a violent revolution has to be avoided. I think the Prime Minister, who happens to be the Finance Minister, has mirrored this socialist image very well into the Budget proposals. Though our poor country is overburdened with several problems, still in the modern, progressive world we have to go ahead and keep ourselves abreast with other countries.

श्री राजनारायण (उत्तर प्रदेश) : श्रीमन्, कोरम तो है नहीं। ऐसा लगता है कि सदन के सदस्य बजट पास करवाना नहीं चाहते।

सभा के नेता (श्री को० के० शाह) : आप अभी आ रहे हैं क्या ?

श्री राजनारायण : जी हां, अभी चला आ रहा हूँ वाराणसी से। वहाँ आपका विश्वविद्यालय देखने गया था।

SHRI G. H. VALIMOHMED MO MIN : Therefore, my submission is that in these Budget proposals ...

श्री राजनारायण : श्रीमन्, मेरी बात का क्या हुआ ? कोरम नहीं रहेगा तो भी क्या पण होता रहेगा। यह संसद् है। क्या यह पंचायत घर है ? यह संसद् है।

[Quorum Bell rings.]

SHRIMATI YASHODAREDDY : I am going away to satisfy the hon'ble Member that there is no quorum.

SHRI G. H. VALIMOHMED MO- MIN : If one lady Member has gone, two other Members have come in.

MR. DEPUTY CHAIRMAN : There is quorum now. Please go on,

SHRI G. H. VALIMOHMED MO-MIN : Mr. Deputy Chairman, Sir, the Budget proposals mean not only a perfect mirror of the economic conditions as they exist but also the political climate. This is a country burdened with population. There are agricultural problems. There

are health problems. There are hygienic social and other problems, and any Finance Minister who has to meet these great demands which, if not fulfilled, will not take us further, really has to face many problems of procurement of money. Therefore, in a situation like this the Finance Minister has risen to the occasion and found out sources from which to tap money. Therefore, it is a bold and a welcome step.

SHRI G. H. VALIMOHMED MO-

श्री राजनारायण : "इट इज"। क्या अंग्रेजी है ?

श्री नेकीराम : कोई तरीका है ! यों ही बीच में बोलते रहते हैं।

श्री राजनारायण : यह भारत का बजट है या इंग्लिस्तान है यह क्या ?

श्री जी० एच० वलीमोहम्मद मोमिन : भारत का है।

श्री नेकीराम : आप जो कहना चाहते हैं अपने मौके पर कहें। बीच में शोर न करिये।

MIN : Why I say that is this. The test of the Budget proposals lies in my challenge to the worst critics to show where even the smallest item important from the public point of view has been overlooked, ignored or neglected by the Finance Minister. Provision is made for agriculture, irrigation, electricity, education and hygiene and enough room has been provided for our developing industries too. There is very good balance made between both the public and the private sectors. So looking from all these points of view the Budget proposals are most welcome. They have come at a time when doubting Thomases were saying that she will tumble down and would be found wanting. I express my satisfaction and gratification over her approach on all fronts. It proves conclusively how sincerely and how determinedly she wants to build up a socialistic society. And if the axe is to fall on the rich, they will come out gladly to bear it knowing full well that unless we take some dynamic steps the doors for a violent revolution will be open. Therefore, it is better that we resort to a dynamic, social, political and economic revolution. For that we seek the co-operation of every one. Let us not look at the Budget proposals from any partisan angle or quote, as my predecessor

[Shri G. H. Valimohamed]

from Gujarat has done, a solitary case of some Nagarvala here and there. Mr. Deputy Chairman. Sir, let us not make very much of this or that. There may be individual cases, justifiable or unjustifiable, but as long as the Constitution stands as it is, as long as the laws stand as they are, as long as the service conditions for our public servants are as they are, within this framework, the Finance Minister, this august House and everybody has to function. Therefore, there are occasions when even some persons like us get impatient and say "Here is this corruption". But this is not a dictatorial raj where we can say "We suspect you of corruption and therefore we dismiss you". There should be a complaint, there should be investigation and there should be evidence, and if we do not do that, there will be chaos. Of course, this takes time and the papers move very slowly. Of course, the papers are clever and sometimes they do some benefit in an indirect way. But on the whole, the new climate is going to influence the bureaucracy also. People, young and old, have realised that things will not proceed in the old way. In this connection, there is the call from the Prime Minister to all of us to stand by the new steps that she is taking, one by one, towards building up a democratic socialist society, which is the aim of each one of us. It may hurt Mr. Rajnarain if I praise the Prime Minister or give bouquets to her.

श्री राजनारायण : आप बजट प्रपोजल्स पर कुछ बोलें तो मैं मान सकता हूँ ।

SHRI G. H. VALIMOHMED MO-MIN : This Budget will not have been there if Prime Minister Indira Gandhi had not taken into her head to put these Budget proposals before us. Therefore, I would say that she and she alone has done it. So many others had come, but they had not done it. Therefore, she deserves bouquets.

श्री राजनारायण : श्रीमन्, देखिये यह हमारे मित्र, हमारे साथ गये थे नाशूला, जब वहाँ के फौजी अफसरों ने शराब दी तो शराब पिलाने लगे । हम निकल आए बाहर । हमने कहा, हम शराब पियेंगे नहीं । यह भी हमारे साथ शराब का बायकाट किये । और जितने लोग थे सब शराब पिये बैठ कर । मैं यह जानना चाहता हूँ . . .

श्री उपसभापति : इसका कोई संबंध नहीं है ।

श्री राजनारायण : . . . क्या शराब को प्राइम मिनिस्टर इन्दिरा नेहरू गांधी ने इस बजट में खत्म कर दिया । शराब मीन्स आफ इनकम हो गया ।

सरदार दयुबीर सिंह पंजहवारी (पंजाब) : लेकिन आप सलत क्यों कह रहे हैं । किसी भी पार्टी के मेम्बर ने शराब पर नहीं कहा ।

SHRI G. H. VALIMOHMED MO-MIN : There is no doubt that taxation has come even on this. People's addiction to drinks has no sanction in moral law or in religion or even in the Congress Party.

SHRI RAJNARAIN : So Indira Gandhi has no moral, no religion-SHRI G. H. VALIMOHMED MO-MIN : Therefore, Sir, as I said, we are a democracy and what we cannot do by law, we have to do by cultivating public opinion. We have to see that these parties where wine is served are discouraged voluntarily. We must take it that it is against our culture, but let us not make a fetish of it, let us not make a fashion of it. I am sure with the austerity programme under the inspiring leadership of Mrs. Indira Gandhi, we will be successful in this direction. With these words, I support the Budget proposals.

SHRI U. K. LAKSHMANA GOWDA (Mysore) : Mr. Deputy Chairman, Sir, in this Budget I do not find anything very much different from the previous Budgets which had been presented to this House in the past by the predecessors of the present Finance Minister, though even at that time they said that they would be of a socialistic nature. A lot of hopes were raised during the past few months -that this Budget would come out with a socialistic angle, and different impressions were created among the different sections of the people of this country. It raised very great hopes in one section which expected relief in indirect taxes. It created apprehensions in the corporate sector that it might be in for a steep rise in corporate tax. But when the Budget was actually presented, it came out as a sort of compromise to satisfy both the sections and that is why we see that nothing has been done about the corporate sector. Though I do admit that the taxation on the corporate sector in this country is much higher than many others, it still continues to remain at 55 per cent, when

the indirect taxation, which affects the majority of the people, has gone beyond any contemplated measure in the past.

From the figures we see that the total revenue expected from the new direct taxation proposals is Rs. 15 crores, while the total revenue from the proposals in regard to indirect taxation is nearly Rs. 155 crores. This indirect taxation, which affects the consumers, the common people and all sections of the people in the community, is high and the Budget cannot be called a socialist Budget or a Budget which is in the interest of the vast majority of the people.

Sir, many references have been made that indirect taxation is brought in here to affect the richer sections of the people. Let us go into the details and see how it affects them. The items affected are sugar, coffee, tea, cigarettes, kerosene and petrol. Do we call these luxury goods? I do not because it is a practice now for every worker to have tea in the morning and many of them who go without lunch live on tea. And sugar which is a component of tea is also taxed. So you see how they affect the common man. One of my friends was saying that the increase in the tax on petrol did not matter and it would affect only a certain section of the people. But petrol is necessary for a good many people who attend offices by scooters or by taxis or even by other private or public service vehicles, which also in course of time will put up their fares. So this is also a burden on them.

In addition to these, the amount of deficit financing this year is Rs. 225 crores. The deficit financing in the past year was of the order of Rs. 290 crores. And it is expected in the Fourth Plan period to go up to Rs. 850 crores. We can imagine what effect there will have on the price level in the country. It has already been stated by many Members here that the prices have gone up by more than 7 per cent during the last few months. And if we take a longer period, they have gone up by 15 per cent. If this sort of deficit financing is to continue during the Fourth Plan period, we will never be able to know to what extent the prices will rise, and we will never be able to hold the price line. And whatever little reliefs have been provided, they will definitely be offset by these inflationary prices and it will not be providing any relief to the people whom this Budget seeks to serve. And the relief which will be available will actually be a very illusory one.

There are a few welcome proposals in this Budget which, I should say, have been well thought of, which even though had been pressed very much in the past were never looked into from a proper angle. I welcome, for example, the proposal to raise the taxable limit to Rs. 5,000. But still if you look at the value of the rupee which is deflated during the last several years, this hardly provides a sufficient relief as proposed by the Bhoota-lingam Committee. The raising of the limit from Rs. 4,200 to Rs. 5,000 is hardly sufficient in view of the rising prices over the past few months which will eat away this small concession. I strongly urge that this should at least be brought up to Rs. 7,500 as recommended by the Bhoota-lingam Committee. It has been stated that the Income-Tax Department has suffered because of the large number of smaller assesseees and that it has not been able to cope with proper collection of the large amounts of arrears. The number of assesseees is as large as 28 lakhs and now by bringing the limit to Rs. 5,000 they have reduced this number by 5 lakhs. But if the Bhoota-lingam Committee's recommendations had been accepted, the figure would have been brought down to nearly 17 lakhs and the Income-Tax Department could have devoted much of its time to the proper assessment and collection from sources which ought to be the real sources from which tax has to be collected.

I now come to the steep increase on the slabs of over Rs. 40,000. Of course, everybody admits that this is a slab which in our country could be considered a slab of considerably rich people who could afford to pay the tax. But in practice what will happen when there is a steep increase up to 93 per cent? Do we expect the people to be really so honest as to pay this 93 per cent tax?

SHRIMATI YASHODA REDDY : What happens to a tax evader? Nothing. Nothing will happen to a tax evader. So, do not you worry about it.

SHRI U. K. LAKSHMANA GOWDA : Yes, that is what I am saying. This will result in more and more inflation of unaccounted money and you will find it very difficult to enforce your tax laws because the people will take to other illegal recourses to evade tax while they continue to earn. This 93 per cent increase will be there only on paper. No honest person can come forward and show his accounts

[Shri U. K. Lakshman Gowda] and pay this high confiscatory tax? So the tax should be such that it can be enforced and that it can be implemented easily. Just for the sake of putting it on paper if you say that 98 per cent tax should be collected, then people earning over a lakh of rupees can easily understand what they should do. That is the human nature. That is why a graded tax structure has been suggested and is in vogue everywhere and not of a confiscatory nature. And I do not think that this very steep figure of 93 per cent is ever going to stop the unaccounted money growing larger and larger.

Then I come to the wealth-tax. The wealth-tax slabs have, of course, been increased, I mean the rates of wealth-tax, including urban properties, have been increased. And in the modern set-up of the Government's thinking on a socialistic Budget, we cannot object to that. But where I take objection to is in the matter of applying this to the agricultural sector. Apart from the practical difficulties which I am going to enumerate a little later, in the first place, by the application of this tax to the agricultural sector the returns estimated last year were hardly Rs. 5 crores. And what is the amount of expenditure involved in collecting that wealth-tax and distributing that to the States? The return finally, not going to be as remunerative as it is expected to be. In this connection I would refer to the earlier introduction of the expenditure tax which I after experimenting for a couple of years, I pulled up because it was found later on that the return from that was not worth collecting.

[Interruption by Shri Baluchandra Ahnan] Mr. Menon, you say 'honestly'. How are you sure that this is going to be honestly tried? I am only giving an example. What I am saying is that actually the people who are affected by this are those who actually came out with the so-called green revolution. The development of agriculture has registered a faster growth only in the past few years and now you come out with a tax on that. Administrative difficulties are also there, as I said. How are you going to evaluate agricultural property? Agricultural properties are subjected to the vagaries of nature. They fluctuate so much from year to year and if the evaluation is done on market value basis, many of the marginal producers or 'normal producers suffer. And then the revenue aspect is hardly Rs. 5 crores and the same thing could have been done by a re-alignment or an increase in agricultural income-tax which most of the States are introducing

now. And in any case the money is going to the States. So they very well could have taken up legislation themselves in the States. Anyway, that has been done and my only suggestion with regard to that at this stage is that the evaluation has to be done very very carefully so that the increased tax will not work as a detriment to the so-called agricultural revolution, the green revolution, which has come about, to the further progress of agricultural development in the countryside.

While talking about this I would like to make a particular reference to plantations. In this Budget I find that plantations are very hard hit mainly because of the extension of wealth-tax to the agricultural land. It was introduced last year and its rates are sought to be raised this year. What will happen is that by exemption provided up to Rs. 25 lakhs many of the general agriculturists might escape, but I am not sorry for that because a large majority of agriculturists will be exempted. But in the case of plantation areas where plantations are there even 50-acre plantations come under agricultural wealth-tax and with the evaluation system as it exists, now much of the unaccounted money of the industrialists may be invested here. If the industrialists go and buy plantations and farms at say, inflated prices, at Rs. 10,000 or Rs. 20,000 per acre so as to provide investment for their unaccounted money and if that is the basis for evaluation for a genuine, indigenous planter, or plantation-owner, what will happen? He will be wiped out because the tax is going to be at such an exorbitant rate.

SHRI R. T. PARTHASARATHY
(Tamil Nadu) : That is what the Government wants to do.

SHRI U. K. LAKSHMANA GOWDA : And my friend, Mr. Balachandra Menon, suggests, you nationalise it. Anyway, his Government in Kerala is constituting an inquiry committee to go into the question of nationalising plantations so that this problem of collection of wealth-tax will never arise there once they become the nationalised property of the Kerala Government. Sir, with regard to these plantations which are foreign-exchange earners, one has to be very careful in handling them. I believe the Kerala Government has appointed a Committee to go into the question of nationalising the foreign-owned plantations in Kerala and I believe they must have consulted the Central Government before doing that.

[THE VICE-CHAIRMAN, (SHRI AKBAR ALI KHAN) in the Chair.]

Actually by taxation you are trying to wipe them out because I find there is a very high rate of agricultural income-tax on the plantations and along with that there is on the 40 per cent of the income, the Central income-tax raising the over all tax to 70 per cent or more (*Interruption*) Mr. Vice-Chairman, if you are really interested in taking them over, they themselves will be prepared to offer the plantations to be sold in view of this crippling taxation.

I would like to refer to the incidence of taxation. The tax on tea plantations, Central income-tax on 40 per cent, and the State income-tax on 60 per cent, of the income will leave no incentive for the tea-planters. I will just give you an example how it will work out with regard to an Indian company and a foreign company. If a domestic company has got an income of Rs. 1 lakh, the tax in Assam is Rs. 45 thousand, in West Bengal it is Rs. 48 thousand, in Tamil Nadu it is Rs. 45 thousand, in Kerala the pre-Budget figure was Rs. 41 thousand and the post-Budget figure is Rs. 51 thousand and in Mysore it is Rs. 31 thousand. For a foreign company the figures are, Assam Rs. 55 thousand, West Bengal Rs. 58 thousand, Tamil Nadu Rs. 55 thousand, Kerala pre-Budget Rs. 51 thousand and Kerala post-Budget Rs. 73 thousand. If that is the rate of taxation which is leviable, it will at least be 40 per cent, more than the tax on the industrial corporate sector even according to the present Budget. In such a situation the survival of these plantations would become more and more difficult. As long as the Government has accepted mixed economy as its goal and as long as it wants both the private and the public sector to survive—or at least until the time comes when, as many of our friends have suggested, they want to completely take over all the key industries and plantations in the public sector—the Government must look at the development and growth of the key and other plantation industries in this country.

In this connection I would like to refer here to the export duties on tea, jute and coffee. My friend, Mr. Chatterjee, was complaining that this Budget has given relief to tea by way of abolishing the export duty on it. But probably he is not aware of the full details of the position of tea in the world market. If this relief

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had not been provided, it is not only the producing company but the whole country would have suffered, because we would not have been able to sell our tea in the foreign markets. (*Interruption*) when there was parity of prices in the international markets between Indian and Ceylonese tea, Ceylon devalued its currency along with the sterling devaluation and the international price of the Ceylonese tea became cheaper. That is why our Indian tea became costlier because after devaluation we put a higher export duty to neutralise the effect of devaluation. After all today we may have British plantations, tomorrow we may have Indian plantations but we must look to the product as such and we must see that our exports of tea and coffee are increased so that we earn more and more foreign exchange. So I say that the relief provided by way of complete abolition of the export duty on tea has been a very desirable relief and I welcome it. But, Sir, the imposition of excise duty to make up the loss there is not a desirable one. In the first place it makes our tea very expensive for the common drinker in this country. Further I may say that for certain zones like Assam, Darjeeling and Nilgiris, they have increased the duty by as much as Rs. 1 per kg. and that makes the tea of that zone more expensive. The idea behind this is that if the tea is made more expensive here, in the internal market, it will be released for export, but in practice it will not work. In order to release tea from the company excise duty has got to be paid at the company or the factory and the company will have to borrow money to pay that excise duty. When it is exported for consignment sale to London or for export auctions at Cochin or Calcutta they will have to verify the prices there and such teas fetch more than Rs. 5.25 per kg. and less than Rs. 7.70 per kg. then 30 per cent, rebate over and above that Rs. 5.25 will be available to the exporter. But by the time these figures are available so that the necessary refund can be collected, it will be more than a year. So the producer would rather sell it in the internal market and collect his money quickly and he will not export and wait for the export duty refund for such a long time. So in other words this increase in the excise duty on tea, instead of providing any incentive for export, may work as a deterrent. In view of that, it is very necessary that the high excise duty levied on the high-grade tea should be brought down and the excise duty on the low-grade tea should be considerably reduced so that the common man gets his tea at very reasonable prices,

[Shri U. K. Lakshmana Gowda] So far as Coffee is concerned, there is already a general excise duty on raw coffee which works out to nearly Rs. 102 per quintal and the present additional excise duty of 10 per cent, which is proposed to be levied on instant coffee is a very retrograde step, particularly at a time when in North India people are not used to brewing coffee and therefore instant coffee is becoming very popular. So this additional 10 per cent duty on instant coffee is a very wrong step and I would urge that this 10 per cent. Excise duty on both instant tea and instant coffee should be withdrawn.

Sir, in this Budget I find no mention about any relief with regard to the duties which were levied in the past on fertilisers. The consumption of fertilisers both in general agriculture and plantations has gone up in the past few years and it is showing signs of decline since the levy of excise duty last year. Therefore I suggest that it should not be allowed to continue and it is really a pity that no relief has been given for fertilisers and chemicals in this Budget.

Then there was a suggestion about the export of coir from the southern States; that also should have been provided with sufficient export incentives and relief in duties.

Sir, so far as the few other proposals in the Budget are concerned, I heartily welcome them. For example there is a proposal to provide Rs. 25 crores for rural development programmes. But as Shri Gurupada-swamy has stated, the amount of Rs. 25 crores is really negligible because it can hardly cover even a portion of the 5000 Blocks which are in need of it. The ultimate aim should be to cover all these Blocks so that majority of the rural population might be able to derive substantial benefits from these schemes.

Sir, I welcome also the proposal with regard to the Employees' Provident Fund and the provision for family pensions. I also welcome the provision for having research schemes for dry farming. This is something which should have been done earlier but anyway better late than never. But I would urge that in the subsequent Budgets more funds would be made available for these schemes. I would also welcome the Urban Development Corporation which has just been started with a

capital of Rs.10 crores and there is provision for the Corporation to go into the market to raise the additional finances for this purpose and I do hope that with proper implementation of this, the provision of housing for low income group people, clearance of slums and other things would be implemented fast. I would mention here that the rural housing and rural water supply are one of the other major matters in this country which have to be tackled. It is a pity that in spite of 20 years of freedom, we have not been able to say that we have provided drinking water to everyone of our villages in this country. If that one major necessity of life has not been provided so far, what else could we do with our socialistic approach in this country? I also welcome that a beginning has been made in the matter of provision of nutritional requirements for the children in the tribal areas but I would urge that this should be successively expanded to cover the children not only in the tribal areas but also in the other rural areas as well.

Thank you.

RE HOME MINISTER'S STATEMENT ON KASHMIR

SHRIMATI YASHODA REDDY (Ar.-dhra Pradesh) : I would like to draw your attention to something that happened in the House.

THE VICE-CHAIRMAN (SHRI AK-BAR ALI KHAN) : You must take my permission before.

SHRIMATI YASHODA REDDY : It is a matter which happened in the House. With your permission I will raise it. Yesterday a point was raised and a wrong answer was given by the Minister which has been absolutely misleading. When Mr. Ghulam Nabi Untoo said . . .

THE VICE-CHAIRMAN (SHRI AK-BAR ALI KHAN) : This is something . . .

SHRIMATI YASHODA REDDY¹ : It is a matter of privilege.

THE VICE-CHAIRMAN (SHRI AK-BAR ALI KHAN) : If it is a matter of privilege, then bring a Motion.

श्री राजनारायण (उत्तर प्रदेश) : श्रीमन्, प्रिविलेज के दो कोर्स होते हैं। सदन में जो चीज घटती है, उसकी ओर अगर ध्यान दिलाया