

[Shri B. R. Bhagat]

the unanimous approval of the House.

With these words, Madam, I move.

*The question was proposed.*

THE DEPUTY CHAIRMAN: Before we begin the debate the Home Minister will make a statement.

STATEMENT RE. ORDERS SERVED  
ON SHEIKH MOHAMMED  
ABDULLAH AND MIRZA  
AFZAL BEG UNDER D.I.R.

THE MINISTER OF HOME AFFAIRS (SHRI GULZARILAL NANDA): Madam, I have to report to the House that in the early hours of this morning Sheikh Mohammed Abdullah and Mirza Afzal Beg on their return from abroad were served at the Palam Airport with orders under clauses (d) and (f) of sub-rule (1) of rule 30 of the Defence of India Rules requiring them to proceed immediately to Ootacamund in Madras State and to remain within the municipal limits of that place. These orders were served with a view to preventing them from acting in a manner prejudicial to the defence of India, civil defence, public safety and the maintenance of public order. Government had made arrangements for their journey and they left for Ootacamund in the morning. Their activities during the last two months or so had made it clear that unless some restrictions were placed on their movement they would act in a manner prejudicial to the external and internal security of the country. It therefore became absolutely necessary to take the step we have taken.

SHRI FARIDUL HAQ ANSARI (Uttar Pradesh): Can I have some clarification from the Home Minister about the arrests that he has announced in the arrests that he has announced in about the activities indulged in by Sheikh Abdullah while he was abroad any statement has been issued by the leader of a Muslim delegation that was sent to attend the Islami

Moatamar in Mecca in which he has said that there Sheikh Abdullah acted in co-operation with the Indian delegation and all his activities were pro-India?

Secondly, I would like to know whether either the hon. Prime Minister or the hon. Home Minister has received a telegram from Mr. Jayaprakash Narayan, Mr. Nabha Krishna Chaudhury and four or five other Sarvodaya leaders requesting them not to arrest them because it will create tension. (*Interruptions.*) Please let me finish; you will get your chance.

And thirdly may I know whether on behalf of Sheikh Abdullah both the hon. Prime Minister and the hon. Home Minister were approached to fix up a time for meeting Sheikh Abdullah and whether they replied to that letter and if they replied, what was their answer to that?

Then I do not know whether the Government of India had any information that Sheikh Abdullah and his associate wanted to proceed to Kashmir immediately. If they have, I should like to know, because as far as my information goes, he had no intention of going to Kashmir before explaining his position to the Prime Minister and the Home Minister and even to the President.

SHRI GULZARILAL NANDA: Madam, these are very minor matters compared to the broad purpose of the action taken. Whether a letter was received or not, I do not remember to have received any letter on behalf of Sheikh Abdullah. And about the fact that in some conference Sheikh Abdullah said something or something else, I am not here detailing the various activities, the various reasons here. I am not explaining all that here. This is the conclusion we have come to on a study, on an appreciation, of all that he has been doing over a period and the fact that some citizens of India, three or four or five, as the hon. Member has mentioned,

thought it wise and necessary to send us a telegram does not make a difference, Madam, to the responsibility of the Government towards the security of the country.

**SHRI G. MURAHARI** (Uttar Pradesh): I would like to know from the Home Minister whether they have had consultations with the Government of Kashmir before taking the steps that they have taken and whether any member of Sheikh Abdullah's party has been allowed to go back to Kashmir and also whether Sheikh Abdullah's movements would be restricted only to Ootacamund or he would be allowed to go anywhere in the State of Madras?

**SHRI GULZARILAL NANDA**: As I have explained already, both Sheikh Abdullah and Mirza Afzal Beg are going to Ooty. Begum Abdullah also came in the party and she has been asked not to proceed to Jammu and Kashmir. That is all the restriction on her. She is in Delhi now. She has been asked not to proceed to Jammu and Kashmir. She can go anywhere else. She was told that she could accompany her husband and arrangements have been made for her also for staying there.

**SHRI G. MURAHARI**: What about the first part of my question?

**SHRI M. P. BHARGAVA** (Uttar Pradesh): May I know from the hon. Minister whether arrangements are being made to see that Sheikh Abdullah and Mirza Afzal Beg do not carry on anti-national activities while living in Ooty?

**SHRI GULZARILAL NANDA**: Good care has been taken of that.

**SHRI G. MURAHARI**: Madam, the first part of my question has not been answered, whether the Government of Kashmir has been consulted.

**SHRI GULZARILAL NANDA**: This is a matter between the Government of India and the Government of

Kashmir and the responsibility we take.

**SHRI B. K. P. SINHA** (Bihar): May I know whether Sheikh Abdullah and Mirza Afzal Beg would be interned in Ooty, their movements being unrestricted in the city or shall they be confined to some area or some building in the city?

**SHRI GULZARILAL NANDA**: Madam, they will not be confined to a building, but the order includes also the instruction not to associate with any person except with the written permission of the Collector of Nilgiri District while residing there and not to communicate with any person except through the Collector.

**SHRI A. D. MANI** (Madhya Pradesh): While the country will warmly support the Government in the firm action they have taken, may I ask the Government whether this action will be followed by their putting a stop to the plebiscite propaganda which is being carried on by the plebiscite front in Kashmir?

**SHRI GULZARILAL NANDA**: The Government of Jammu and Kashmir have already taken a series of steps and I trust that they will do all the rest that is needed.

**SHRI M. SHAFI QURESHI** (Jammu and Kashmir): Madam, may I know from the hon. Minister whether the Government is aware of the activities of a very close associate of Sheikh Abdullah, Miss Mridula Sarabai, who has of late, been distributing cyclo-styled copies of Sheikh Abdullah's speeches, which he made abroad, and also distributing the weekly called the "Front" in Delhi? What action does Government propose to take against her?

**SHRI GULZARILAL NANDA**: I am fully aware of the undesirable activities but we need not necessarily take action against all and sundry.

**SHRI AWADHESHWAR PRASAD SINHA (Bihar):** Madam, is it a fact that Begum Abdullah was asked to accompany Sheikh Abdullah to Ooty, if she so chose, so that she could keep company with her husband and she had refused to go with him

**SHRI GULZARILAL NANDA:** This offer was made.

**THE DEPUTY CHAIRMAN:** That will do.

#### THE FINANCE BILL, 1965—contd.

**PROF. M. B. LAL (Uttar Pradesh):** Madam, the Finance Bill, which is before us for our consideration, is a jigsaw puzzle. It is difficult to understand and unravel all its intricacies and mysteries. Not to speak of others even for the Finance Minister it is difficult to assess accurately the impact of his taxation proposals on the national economy. No doubt, for the first time, after many years, certain reductions are proposed in indirect taxes. I feel when concessions were granted last year to industrialists the question of reduction in indirect taxes also deserved careful attention. The reductions that are proposed in this year's Bill are counter-balanced by the ten per cent increase in import duties. So, the burden of indirect taxes is not reduced and its impact on prices is not weakened. The Finance Minister himself is not sure whether in all cases the reduction in excise duties will lead to a reduction in prices. He hopes that in some cases the reduction will result in a decrease in prices. But I feel that even if there is a certain marginal reduction in prices of certain commodities, by and large, indirect taxes will continue to exert an upward pressure on prices of almost all commodities, including essential supplies.

Last time, my friend Mr. A. P. Sinha in his speech on the Budget rightly

pointed out that the entire burden of indirect taxes had not to be borne by the poorer sections of the community. Some indirect taxes, no doubt, hit the higher sections of the community and in some cases the burden is borne both by the poorer and richer sections of the community. But my friend, Mr. Sinha, managed to forget that these indirect taxes hit the poorer sections of the community more than they were borne by the richer sections of the community. And these indirect taxes, along with inflation which is much worse than indirect taxation, have made the poorer sections of the community very miserable through the inordinate increase in prices.

It is admitted in the Economic Survey that the upward pressure on prices has been reinforced by speculative tendencies, but nothing very substantial has so far been done to curb the speculative tendencies and to see that through speculation prices do not rise very high.

The proposed fiscal measures are claimed to be production-oriented, but they are in reality profit-reoriented. High profitability to industrialists, I beg to submit, is confused with increased production and my submission is that the two need not be confused. Increased production and high profitability need not necessarily go together in conditions of imperfect competition that prevail in India today. Indian industrialists do not seem to be much concerned with the question of increased production. What they want is high profitability even through limitation of production. They want high profit in sheltered markets through concessions in taxes and all sorts of assistance. While they appeal to the old Herbert Spencer's concept of a police State and denounce the very concept of the welfare State and maintain that welfare and State go ill together, that it is not the job of the State to promote through its mechanism the welfare of the people, they demand all sorts of assistance from