

[Pandit s. S. N. Tankha.] their unaccounted money is not sufficient to my mind. I asked a question recently about this unaccounted money, as to how much money had been collected, and I was told that only a very small portion of such money had been collected. I would therefore urge upon the Finance Minister that the steps which he has for some time past been taking for detecting such persons or for finding out as to who were those persons in possession of that money and how much illegal money they had, should be maintained with strength and vigour even during the period of grace allowed.

THE DEPUTY CHAIRMAN: That will do, Mr Tankha. I have to make an announcement.

#### RESULTS OF ELECTIONS TO THE COMMITTEE ON PUBLIC ACCOUNTS

THE DEPUTY CHAIRMAN: There were eight Members duly nominated for election to the Committee on Public Accounts, of whom one Member withdrew his candidature subsequently. As the number of the remaining candidates is equal to the number of vacancies to be filled, I hereby declare the following Members to be duly elected to the said Committee:—

1. Shri M. P. Bhargava,
2. Shri Chandra Shekhar,
3. Shri S. C. Deb,
4. Shri R. S. Panj hazari,
5. Shri Ram Sahai,
6. Shri Niranj an Singh, and
7. Shri Atul Behari Vajpayee.

The Finance Minister will reply at 4.30 P.M. Mr. Krishan Dutt will speak at 2.30 P.M. The House stands adjourned till 2.30 P.M.

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

The House reassembled after lunch at half-past two of the clock, THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN) in the Chair.

#### THE FINANCE BILL, 1965—contd.

SHRI KRISHAN DUTT (Jammu and Kashmir): Mr. Vice-Chairman, I rise to support the Finance Bill and the taxation proposals contained therein. I am happy to note, Sir, that the policy in the taxation proposals is that the gap between the rich and the poor should be gradually, or rather as soon as possible, be filled up and that wealth should not be allowed to be concentrated in a few hands. I hope that the taxation proposals and the measures contained in the Finance Bill will lead to this objective. The grave period in Indian history which at present we are passing through, requires that India should have adequate stores of foodgrains and the price should be kept down at a reasonable level. This is necessary not only for the needs of the population but also for going through the critical period so far as the defence of the country is concerned. I offer my congratulations to the Government for the prompt and the wise step that it has taken in arresting Sheikh Abdullah and Mirza Afzal Baig as soon as they touched the Indian soil after their tours abroad. It is indeed most regrettable that a man of Sheikh Abdullah's stature and having a very glorious record in the freedom struggle, should have chosen in this critical period of Indian history, to have wandered from his previous stand and indulged in activities which are clearly and unmistakably prejudicial to India's security and India's honour abroad. If he had confined himself to the religious spirit to the avowed purpose of the Haj pilgrimage and

not misused this opportunity to indulge in anti-Indian propaganda against his own motherland, in countries v/hich are friendly to India, he would not have brought himself to th ! position to which he has reduced himself. In fact the conclusion is irresistible that under garb and under pretext of Haj pilgrimage, he misused that opportunity for ignoble acts. I have no doubt that by doing so he has tarnished and tainted the fair name oi<sup>1</sup> Haj pilgrimage. The statement of the IOO Haj pilgrims of Jammu and Kashmir who recently returned from the Haj pilgrimage, unequivocally condemns Sheikh Abdullah's activities while on foreign lands for the professed purpose of Haj pilgrimage. They have categorically stated thai his main purpose was to have a pleasure trip and to do anti-Indian propaganda and that this Haj pilgrimage was only a make-belief. The country has heaved a sigh of relief at the action which the Government of India had taken against Sheikh Abdullah. In fact, the country wanted such firm action long before. But better late than never. The security of India and the honour of India demanded this step from the Government and it has been rightly taken and the country supports it. The people are feeling jubilant over it. Regarding repercussions in the Valley, I may inform this House—and perhaps hon. Members are already aware of it—that the apprehensions which some people had in their minds that something untoward might happen in the Valley, have proved to be false. A few people had been injected with the poison of hatred during the past thirteen months of propaganda and that had to erupt in some form or the other. This is but natural and we should not be perturbed over it and the State Government also very rightly pointed out to the Central Government that to allow Sheikh Abdullah entry into Jammu and Kashmir, when he came back from abroad, would not be in the best interests of Kashmir and the Kashmiris, and I admire the stand of the Central Government in accepting the advice of the State Government

219 RE—5

and acting accordingly. What is now required is a continued firm handling of the situation. There should not be any wavering, no vacillation in pursuing this policy to the logical end. Therein lies safety and the security of the Kashmiris themselves. Therein lies the guarantee of their continued economic development to which India has so generously contributed and which in the coming years is bound to gather greater and greater momentum during the Fourth Five Year Plan. I am fully confident thai if the Government of India remains firm and steadfast in the line it has taken over Sheikh Abdullah and his so-called Plebiscite Front, if this stand is firmly and persistently continued, then I am quite sure that the baner elements among his own, Sheikh Abdullah's own followers, will come to realise what a dirty game they are playing and will realise what an unpatriotic step they are taking at this critical juncture in the history of India. Sheikh Abdullah's speeches abroad, as this hon. House would have already known, leave no room for doubt that he has in his extreme egotistic spirit brought himself into a position wherein no othe, epithet than that of traitor to India can be ascribed to him. He has not cared to see that being a citizen of India in that capacity, his first loyalty is to his own country. He indulged in activities, in courting the pleasure of foreign countries which are avowedly inimical to India, who are joint aggressors on our country. He felt pleasure in obtaining their support fo, the so-called right of self-determination for Kashmir. I have no doubt that no sane person in the world can lend any support to this misconceived plan, namely, that a section of the same people, of the same country, should think of having self-determination. India got self-determination and a free Government came into being on that principle. For the people of the same country to demand another right of self-determination is something that

passes the understanding of any reasonable man. I am perfectly certain

[Shri Krishan Dutt.] that even though the whole world may condemn the stand as unreasonable, illogical and ill-conceived, Sheikh Abdullah will never admit it. I know his frame of mind, his way of thinking. He cares a two pence for world opinion or Indian opinion. He is so much self-engrossed. Therefore, the only logical step that the Government of India was in duty bound to take in the interests of Indian security and Indian freedom was the one it has taken. Now, the need of the hour is to stick to the stand with all determination and firmness and I am sure as time passes the misguided elements in the valley will also come to realise that the present treasonable and unpatriotic activities they are indulging in will only be tarnishing their own names and their own faces. Therefore, the time is bound to come when these elements will swing to the nationalist stand.

Now, Sir, I pass on to the subject of Pak aggression in the Rann of Kutch and the intensive firing by Pakistani troops across the cease-fire line in the eastern and western sectors of the Indo-Pak border. Naturally the question arises as to why the Anglo-American powers are so powerless as not to check Pakistan from doing this mischief. Cannot they realise that the billions of dollars worth of war equipment and arms aid given to Pakistan and a very small portion of their investments coming to India will cancel each other if these two countries resort to an armed conflict on a huge scale? I think the interests of the Anglo-American powers themselves in Asia will be best served if they restrained Pakistan from these mad activities. After all, we are parts of the same continent. Till yesterday we were the same people and even now they are our own kith and kin. But the most unfortunate and regrettable thing is that the present rulers of Pakistan somehow cannot get out of the mania of hatred and hysteria against India. If the Western powers are so helpless and powerless in checking Pakistan's misdemeanour on

the border, then they should plainly tell the world and India also. They may tell us that they are powerless and they cannot do anything in that regard and India should take measures to prevent Pakistan from taking extreme steps to augment or increase tension on the borders. It may lead to a conflagration. If they do not do this the conclusion is irresistible. No one can check the Indian people from coming to the conclusion that the Anglo-American powers are at the back of all this mischief by Pakistan. Now, it is quite natural and logical to expect that the enemies of India will not give a choice to us and time to us for preparation. The path of wisdom is that India should remain prepared for the worst. I can visualise it and I am sure the country will not escape that most unenviable and most dangerous position when there will be a conflagration on all the borders, *i.e.*, on the northern, western and eastern borders. The real power and the real strength that will counteract such a position is not the expectation of getting arms aid and help from foreign powers. It is the spirit and determination of the Indian people to sacrifice their all for the preservation of their honour and freedom that is a sure guarantee to meet the most extreme position that may ultimately develop one day. I pray to God that that day may not come, but if it comes, let us not be caught napping. That is my warning to the Government.

Now, I come to the economic development of Jammu and Kashmir. In the context of the defence of India it is necessary that for the movement of goods, defence equipment and defence materials to that State, the roads especially from Jammu to Srinagar and Leh must be given the utmost attention. It must remain open throughout the twelve months of the year. The railways should be brought to the State as early as possible. I am quite aware of the fact that the Katwa-Modhopur rail line is being constructed, but I am sorry to say that the speed of the work is very slow.

There was a time when it was estimated that the line would be thrown open to traffic by the end of March 1964, but now it is said that it might go up to December, 1965. Anyway, I wish that top priority should be given to this and it should be completed as early as possible.

Moreover, the State of Jammu and Kashmir requires increased Centrally help for its development, especially tourism and the internal industries there. I am sorry to say that such a long period of eighteen years has elapsed and that State still remains even without a single Central undertaking in the public sector. I would plead with the Government that some central public sector industries should be located in the State of Jammu and Kashmir in the Fourth Five Year Plan,

Thank you very much.

SHRI A. D. MAKI (Madhya Pradesh) : Mr. Vice-Chairman, the Finance Bill which the House is considering certainly denotes a departure from the heavy and oppressive taxation policies the Government have followed during the Second Plan period, and on that account the Finance Minister is entitled to the warm congratulations of the House for his attempt to reduce the tax burden. Speaking in the other House the Finance Minister said that the important objective of these proposals was to stimulate higher productivity as well as exports, provide sources for the expansion of industry, divert investments into more productive channels and achieve a wider dispersal of ownership of urban property. Since he made that statement it is our duty to examine how far the taxation proposals which are reflected in the Finance Bill go to satisfy these objectives.

Sir, in the first place I must mention that before the Finance Bill was introduced (the Finance Minister levied a customs regulatory duty<sup>5</sup> on a variety of articles, and these duties were imposed with the so called objective of reducing imports and securing import substitutes. Sir, the Finance Minister knows that import licences are very difficult to get, and there is already a mechanism at work which prevents licences being issued to all and sundry. The present position of industry today is that there is an accumulation of idle capacity on account of lack of raw materials owing to the shortage of foreign exchange, and such idle capacity is due among other reasons to lack of planning. In spite of there being idle capacity in industry on account of absence of raw materials the Finance Minister has imposed a customs regulatory duty for avoiding more imports. Frankly the customs regulatory duty is a revenue measure and was imposed just before the Budget proposals were announced in Parliament. I would like to ask the Finance Minister how he expects Indian industries to compete in world markets with the additional cost of production which this customs regulatory duty would entail. Our foreign exchange earnings are largely today on the rupee account, and if we have to balance our economy and secure essential capital machinery we have to increase our dollar and sterling earnings. I am afraid that the customs regulatory duty which he has now imposed will prevent our expanding our export market in the dollar and sterling areas. I would like to make a suggestion to the Finance Minister and it is this. Before the customs regulatory duty was announced a number of persons had placed orders for machinery. At the time these orders for machinery were placed those persons secured licences within their financial capacity to pay for them in the form of imports. Now in respect of orders already placed before the customs regulatory duty was imposed I would like to suggest to the Finance Minister that he should

[Shri A. D. Mani.] make it clear that this custom<sup>1</sup>; regulatory duty will not have any retrospective effect in regard to licences which have been secured and which have now been transacted by the importers paying the necessary foreign exchange to the parties concerned.

I would also like to ask the Finance Minister whether he proposes to have a machinery which will go into the working of the custom<sup>1</sup> regulatory duty. If it is found that the customs regulatory duty is preventing the expansion of our export market by raising the cost of production here, I think it is the duty of the Finance Minister to waive the customs regulatory duty in the case of those articles and those materials on which it has now been imposed. May I suggest to him that he may have a committee of experts in which members of the industry and commerce\* may also be represented, which will periodically examine the working of the customs regulatory duty?

Sir, Government is passing through very difficult times and so also all of us and the country. I quite realise that *it* we have to push through the Fourth Plan of the magnitude which has now been revealed, the country must be prepared to face a higher dose of taxation. But the public is entitled to ask what steps the Finance Minister is taking to reduce waste of public expenditure. The Public Accounts Committee Reports which have been laid on the Table of Parliament clearly go to show that there is an enormous wasteful expenditure in the administration. In this connection I may mention that during the British Government days a Committee called the Inchcape Committee was appointed which went into the question of governmental expenditure and the Inchcape Committee submitted a number of recommendations. I would like to strengthen the hands of the Finance Minister by suggesting to him that he should appoint a Committee to reduce administrative ex-

penditure, because the country cannot be asked to face a higher burden of taxation on account of inefficiency and waste in public administration.

Sir, I quite concede that the Finance Minister has given certain valuable concessions in regard to personal taxation. But the heavy burden of the excise duty has taken away the little benefits that we have now secured under the scheme of taxation that he has announced. In the First Plan the customs duty was about Rs. 157 crores in 1950-51, but now it will be Rs. 420 crores. The excise duty in 1950-51 was Rs. 67 crores, and next year it will be Rs. 827 crores. On every pound of sugar we now pay 50 per cent excise duty. Rupees ten crores export subsidy was given for sugar at the cost of the Indian taxpayer, but we have not been able to secure a sizeable market for our sugar exports. Yet in spite of our failure to get an adequate market for our sugar exports, we have to pay Rs. 10 crores export subsidy. On every bottle of kerosene 45 per cent excise duty is being paid by the consumer at large. Sir, I would like to suggest that the Finance Minister must consider the scheme of excise duties and try to reduce the excise duty on kerosene and matches which go to play a very vital part in the life of the individual.

Sir, I would like to go on to say that the Finance Minister may give an inkling about his mind regarding the optimum excise duty that he proposes to raise during the next Plan period. I think the time has come for him to put a sort of an unofficial ceiling on income from excise duties. The other day he placed a statement on the Table of the House which showed that indirect taxes in India accounted for a substantial percentage of our income, and it was also found that the indirect taxation in India was higher than the indirect taxation in some of the advanced countries. I have been trying to get a copy of the statement but unfortunately I have

not been able to lay my hands on it. It is on the record and the statement very clearly shows that the burden of indirect taxation is very heavy on the citizen.

Sir, I would like to ask the Finance Minister whether he has got any plan regarding the rehabilitation of State Government revenues. I have before me the 36th Report of the public Accounts Committee wherein a mention is made of the fact that State Governments continue to be arrears in respect of payment of interest and principal relating to loans for the periods as early as 1954-55, 1955-56; and 1956-57. The Committee goes on to say:

"While there may be genuine difficulties in a few individual cases and they ought to be ironed out expeditiously, the Committee are unable to appreciate such indifferent attitude in respect of the Government loans."

Sir, in respect of the Fourth Plan many States are likely to make extravagant demands and we have got \ right to see that proper control is exercised on governmental spending in the States. The Finance Minister in his Budget Speech men-3 P.M. tioned that he proposed to call the State Finance Ministers for consultation about the raising of resources for the Fourth Five Year Plan. Apart from the raising of the resources, may I ask him whether he is going to control the overdraft position of the States? I would like him to give some figures about the overdraft account o'f some of the State Governments which have not been able to discharge their obligations to the Reserve Bank. Any kind of increase in the overdraft in respect of the States which are not in a position to settle their overdrafts will only add to the inflationary factors in the present situation.'

Sir, in regard to the Annuity Deposit Scheme, it has been urged that

the capital market is moribund and therefore the Annuity Deposit Scheme should be withdrawn altogether. The Finance Minister in the past, as well as now, has refused to consider the stock exchange as the barometer of the economic health of the country; would like to ask him: What is the special yardstick open for us to fudge whether the country is prosperous and whether the economy is at an even keel? Now, in spite of the concessions that he has offered, the capital formation has not been proceeding in a brisk manner and I think there is a very good case for the withdrawal of the Annuity Deposit Scheme. The Annuity Deposit Scheme nets about Rs. 65 crores every year and this sum of Rs. 65 crores may be available to those industries which are badly in need of capital.

Sir, I hope that the Finance Minister in his reply would also throw some light on the kind of ceiling that he has got for taxation on personal income and for taxation on corporate income. I think the time has come for us to say that beyond a thousand crores, there should be no further increase in taxation because the country frankly, is not in a position to bear the staggering expenditure which is reflected in the proposals of the Fourth Plan.

SHRI BABUBHAI M. CHINAI (Maharashtra): Sir, I have carefully gone through the speeches made in the Lok Sabha and in this House in the course of the general debate on the Budget and also on the Finance Bill. At the outset, I must congratulate the Finance Minister for his confident approach to restrain inflationary pressures, and for inspiring hope of economic stability through promoting production and export.

It must be acknowledged that the Finance Minister is faced with the difficult task of mobilising resources for d<sup>e</sup>v<sup>e</sup>lopment. I am confident that he will be able to steer successfully through the difficult situation created by the condi-

[Shri Babubhai M. Chinai.] tions of war at the borders. However, I would appeal to the Finance Minister not to view the war clouds enveloping the country as a passing phase. Indeed, the problem is more serious and lasting, and we must therefore plan on a long-term basis.

Sir, the main emphasis has to be on accelerating production and equipping ourselves fully for the defence of the country. We must therefore place the highest emphasis on severe cuts on all avoidable Governmental expenditures and those by several organisations and agencies working on Government funds. This may be embarrassing; yet the fact remains that the massive tax effort in the course of the last few years has not resulted in a corresponding increase in the savings of the community to finance development programmes and set the stage for more vigorous investment activities. The increase in taxation has been largely absorbed by non-plan and non-productive expenditure. I therefore plead for greater fiscal discipline in this regard.

The Finance Minister has moved as many as 87 amendments to the Finance Bill which is almost of the size of another Bill. While the number of amendments is large, most of them are drafting and clarificatory amendments to some of the provisions in the Bill. The increase in the quantum of deduction in respect of the first Rs. 5,000 of the qualifying amount of insurance premium, provident fund, etc. from 50 per cent to 60 per cent is good. Similarly, the extension of tax credit certificates for subscription to initial capital issues to purchase of shares from under-writers is a rational step. The exemption from wealth-tax for the value of investment in equity shares of new industrial companies extended to issues made after 31st March, 1964 and also to assessees who acquire the shares by purchasing them in the market is encouraging. However, the condition in the clause that the exemption would commence from the assessment

year next following the date on which the company started operations for which it was established is vague. It will leave the shareholders wondering as to when the exemption would in fact be available.

I am happy to note that the Finance Minister has favourably considered the representations of some essential industries for higher development rebate and rebate of tax in respect of priority industries. In the context of the high level of taxation the list of industries which deserve selective tax treatment will have to be constantly enlarged depending upon how good the case is made by the industry for such concession. Along with interest on Government Securities income from investment in the Unit Trust has been exempted from the levy of higher surcharge on unearned income. I wish the Finance Minister had extended the same concession to income from equity dividend.

Coming specifically to the provisions of the Finance Bill, I welcome the move towards simplification of the tax calculation. Much still remains to be desired in this direction. Apart from simplification of calculation, there is need for a simpler, rational tax law and stream-lined procedure and administration. This would remove avoidable hardships to the assessees and achieve better tax compliance. I feel that the Government must appoint a Committee to go specifically into the question of simplification and rationalisation of tax structure applicable to both individuals and corporations. I am happy to note that the Finance Minister has conceded that the corporate tax law as it stands now gives scope for quite a lot of confusion. I am sure that in the ensuing year he will make an earnest effort to restore order in the confused state. However, no attempt at simplification will succeed until there is a change in the attitude of those who are responsible for drafting the legislation. Fresh complications will have to be scrupulously avoided.

The reduction in the incidence of personal taxation is a welcome step and a step in the right direction. Still coupled with the annuity deposit, the cash outgo of the assessee is sufficiently large. There are thus no savings towards which the private sector may look for investment. I am confident that without any strain on the aggregate revenue, the Finance Minister should be able to bring down the level of personal taxation because the lower the incidence the higher is the tax compliance and also greater investment activity resulting in large generation of income. I am glad that the Finance Minister has shown himself not in favour of high taxes and has been open for reduction in the tax on earned incomes. The vicious circle of evasion on account of high taxes and high taxes on account of evasion has to be broken at some point, and the Finance Minister having taken a dead weight, I am sure, pursue it further.

I expected that the Finance Bill will either propose complete withdrawal or substantial modification of the Annuity Deposit Scheme. Apart from having drained the resources which would have been available to the private sector for investment, the scheme, in both law and procedure, has been extremely complicated and a source of great annoyance to the assessee. In my opinion, the tax rebate on provident fund and insurance takes care of the fact that a certain portion of an assessee's income is invested in provident fund or life insurance premium, the funds of both of which are controlled by the Government. Amongst the amendments to the Finance Bill moved by the Members, I notice a suggestion that if an assessee contributes 15 per cent of his total income by way of provident fund life insurance premium etc, he should not be required to make any annuity deposit. I suggest that the Finance Minister examines this suggestion in some detail. Whatever the tax structure. I wish, he finds some way out to relieve the assessee of the burden of annuity deposits. A distinct

feature of this year's Finance Bill is several tax-free tax credit certificate schemes to encourage investment in new equity issues, to encourage exports, to encourage production and to encourage shifting of industries from urban areas. The extent of concessions has been left to the Executive to work out. How far the schemes will provide stimulus to investment activity and productive effort will in fact depend upon the extent of concessions. Much time has already lapsed and details of the scheme are yet to be known. I am afraid, a sense of uncertainty and anxiety will prevail till the schemes are announced. The detailed schemes, I feel, should have formed part of the Act itself by way of Schedules. In any case, it is imperative that the schemes of tax incentives are announced early.

In this connection I must point out that if the tax incentive is not adequate and production or exports do not increase the incentive is next to useless. The incentive should be such as would have a marked effect on investment or business decisions of the assessee. I am constrained to observe that the approach of those who draft the schemes of tax incentives or any provisions for relief is rather restrictive. The assessee gets lost in the maze of conditions, restrictions and exceptions, with the result that the proposed incentive fails to arouse the necessary enthusiasm.

The corporate sector, unfortunately, has not received a fair deal in the Finance Bill. The Finance Minister has chosen to retain the equity dividend tax in the same form which means 7½ per cent tax on all dividends distributed except in the case of new companies where 10 per cent dividend is exempt from tax for first five years. Apparently, the intention of a tax on equity dividend is to curb excessive dividend and encourage retention of profits in business. Dividend yield and prospect of capital appreciation are two major considerations for investment in equi-



[Shri Babubhai M. Chinai.] ties. Tax on the whole of the equity dividend and capital gains tax on the entire face value of bonus shares have left the investor with little prospects of either adequate dividend or capital appreciation in shares. The Finance Minister, I am glad, has realised the hardship involved in the capital gains tax on bonus shares and has provided relief equal to 12½ per cent, of the face value of bonus shares from the capital gains tax payable. There is, however, need to rationalise the method of calculating capital gains tax on bonus shares.

The capital gains tax on bonus shares is not a revenue yielding measure because there have been few bonus issues since the imposition of this tax. The Finance Minister would not have intended to prevent the issue of bonus shares. The capitalisation of reserves by issue of bonus shares is the best 'form' of permanently ploughing back profits in the business. I wish the Finance Minister reconsiders the provision in this light. I also repeat the suggestion that the tax on equity dividend should be either withdrawn or levied only beyond a reasonable percentage of dividend. The Finance Minister I stress, must accept the amendment in this regard.

In the first Schedule to the Finance Bill, the interest on Government securities has been exempted from the higher unearned income surcharge. There can be no objection if the Government raises the yield from its securities to make them more attractive. However, to exempt the interest on Government securities from higher unearned income surcharge and to levy the same on income from dividend is a serious anomaly which is difficult to justify.

The tax on private companies was stepped up to 60 per cent, last year. The incidence is retained at the same level with only slight relief in the incidence on first Rs. 10 lakhs of income of private manufacturing

companies. A clause is introduced in the Finance Bill placing a ceiling on corporate taxation in the case of public companies at 70 per cent. This would benefit hardly a few companies. The ceiling does not apply to private companies. This brings out, at least, one fact that corporate taxation in India is as high as 70 per cent, in the case of public companies and even higher in the case of private companies with no tax credit to shareholder for any part of the tax paid by the company. This, the House will appreciate, is incidence the equal of which is not to be found in any developing or developed country. In my opinion, it is necessary to have some thinking on the corporate tax structure, if the corporate form of business is to survive and expand in this country.

As regards the companies (profits) surtax, the Finance Minister stated that there had not been enough time to study its impact. The Finance Bill therefore is just silent about the same. In my opinion, the super profits tax and the present surtax have, in no small measure, adversely affected the investment climate. Apart from increasing the incidence of tax on companies, it is a faulty tax inasmuch as it introduces progression in corporate taxation which implies tax on efficiency.

In the Wealth Tax Act, the Finance Bill proposes a levy of additional wealth tax on urban property. According to the Finance Minister, this is intended to curb investment in urban property and divert the same to more productive uses. In my opinion looking to the acute housing problem which still persists in urban areas a penal tax on investment in urban property is untimely. The shift in investment should have been secured by making the desirable forms of investment more attractive.

I have particularly noted the remarks of the Finance Minister that

he will shortly come up with a new Bill to incorporate provisions regarding tax treatment of interest on National Savings Certificates or bonus payable on cumulative time deposit or extension of tax holiday to new industrial undertakings, etc. While frequent amending Bills should, in my opinion, be avoided, since a Bill will, in any case, be necessary to incorporate the provisions stated by the Finance Minister, I wish he takes that opportunity also to bring about such other changes in the provisions of the tax law which have been suggested to him in the course of the debate on the Finance Bill from the point of view of rationalisation of the tax structure. It is likely that the Government may not have had sufficient time to study those suggestions. I think some of the suggestions made are sound enough to justify the Finance Minister's attention.

{Time bell rings}

Sir, before I resume my seat, I should like to go on record that the Finance Bill as a whole is a move in the right direction to develop the economy on sound lines. The recent surveys of working of companies have indicated that during the last year profitability has increased. The influence of the present Budget will be revealed only next year, and the working results, I am sure will show further improvement. In this view of things, the capital market must improve. There is no reason as to why the investment climate should continue to be depressed. All those who are connected with investment advice and decisions must get out of the present mood of despondency. It does no one any good. With the firm conviction based on facts and proofs that investments will indeed yield fair returns everyone, I think, should take an encouraging view of the future.

Thank you.

شری عبدالغنی (پنجاب): وائس

چیئرمین صاحب - دیس دیتا

مہاتما گاندھی نے دو باتیں کہیں - ایک یہ کہ کانگریس توڑ دو تاکہ دیس والے اپنے دیس کی بھلائی کو جس طرح مناسب سمجھیں اسی طرح سب مل جل کر کریں - نہیں مانا تو انہوں نے کہا کہ میں آنکڑوں کی جھنجھٹ میں نہیں پوتا - یہ آنکڑے جو کتابوں پر آپ دکھاتے ہیں یہ میری تسلی نہیں کرتے - چنتا جس سے سٹسٹائیڈ ہے چنتا جس سے چنٹے وہ بات میری تسلی کا باعث ہو سکتی ہے - مرحوم رفیع احمد قدوائی نے اور سورگھ سردار پٹیل نے بعض ایسے کام کئے دیس کی بھلائی کے لئے دیس کی بھڑادی کے لئے آج تک سردار پٹیل کو مردانہ کے نام سے پکارتے ہیں - آئرن مین کہتے ہیں اور رفیع احمد قدوائی کو ہر اکہ والے تانگہ والے یا رکشا والا آج ان داتا کے نام سے یاد کرتا ہے - مجھے خوشی ہے کہ انکم ٹیکس کو سادہ روپ دینے کی کوشش کی گئی - مجھے یہ بھی خوشی ہے کہ اگر ہم فائنڈس بل پر غور کریں تو کافی خوب صورت دکھائی دیتا ہے لیکن میں تو اپنی سرکار کو بدھائی دینا چاہتا ہوں کہ میری سرکار نے تین یوجنائیں بنائیں اتھارہ برس تک بلا شرکت غیر حکومت کی لیکن تبت چو - این لائی اور ماؤسی تلگ کو دے کر اپنا ہائس سو ۲۲۰۰ سو میل کا بارڈر خطرہ میں

[شری عبدالغنی]

قالا - خطرہ میں ڈال دیا اور اس کا نتیجہ یہ ہوا کہ ایک طرف پاکستان نے آج سے کئی برس پہلے سترہ برس پہلے ہمارے کشمیر پر جو اس کا بہت بڑا حصہ تھا قبضہ کر لیا اور اتھارہ برس میں یہ سب ٹیکس لٹوانے کے باوجود جو ٹیکسیز پہلے سے کئی گنا بڑے کئے غریب پر - جیسا منی جی نے کہا مارجس پر کیا نمک پر کیا منی تیل پر کیا جتنا دل میں آیا آپ نے ٹیکس لگایا - کہو ہا روپیہ نہیں ارب ہا روپیہ آپ نے قرضہ لینے کی کوشش کی لیکن تین یوجناؤں کا کیا کچھ نتیجہ نکلا ہے - نتیجہ یہ ہے کہ ڈاکٹر سپرو کہتے ہیں کہ ایڈمنسٹریشن جو ہے ہر لحاظ سے قلیل ہو گیا ہے - میں جاننا چاہتا ہوں کہ کیا اتھارہ برس بعد بھی آج یہ سرکار اپنے ٹیکسیز کو سلت بنا کر اپنا سرپلاس بجٹ کبکری دیں واسیوں کو خوش کر سکتی ہے - جب کہ حقیقت یہ ہے کہ پاکستان کے ہاتھوں یہ در پہ ہمیں ذلت ہوئی - ہمیں کشمیر کے معاملہ میں یہ صرف اپنے دشمن سے نقصان ہوا بلکہ دشمن نے ہمارے کشمیر کے حصہ کو اور بہت بڑے کافس حصہ کو چین کے سپرد کر دیا - آج حقیقت یہ ہے کہ خود بھی سترہ ورش تک سرکار نے اپنا دفاع صاف نہیں کیا کہ کشمیر اسی طرح کا

اسٹیٹ ہے جیسے پنجاب اتر پردیش یا راجستھان ہے - آپ اس کو ایک علیحدہ اسٹیٹ سمجھتے رہیں - جنگل کا تو ایک شہر ہوتا ہے لیکن آپ کے دو وزیر اعظم رہے - ایک کشمیر کا وزیر اعظم تھا اور ایک بھارت کا وزیر اعظم تھا -

آج حالات کیلئے آج کشمیر میں ایک طرف چھکڑا پڑا ہوا ہے اور دوسری طرف آپ نے شیخ عبداللہ کو پکڑ لیا ہے یہ آپکی اپنی پسند ہے کہ آپ نے اس کو پکڑا لیکن آپ نے کیا اس کے دی ایکشن کو بھانپا - اڈو نہیں بھانپا شیخ عبداللہ کی سزا کشمیر کے عوام کو نہیں دی جانی چاہئے - آپ نے مولانا سید مسعودی کو زخمی کر کے کیا لیا - آخر آپ اپنی پالیسی کے بارے میں دنیا میں کہتے رہتے ہیں لیکن جتنے بھی آپ کے ہم درو دیں وہیں جو دوستی کا دم بہرتے ہیں - آج ان میں سے کتنے ہیں جنہوں نے کشمیر کے معاملہ پر یا کچھ کے معاملہ میں پاکستان کو کلدیم کہا ہے - یا جو نیٹو اڈاخ میں چین نے زیادتی کی تھی - اس وقت انہوں نے کلدیم کہا ہو کہ وہ ایگریسر ہے -

آپ نے سترہ برسوں میں ہمیں کہا دیا - آپ نے بڑی بڑی یوجناؤں دیں - بڑی بڑی اسکیمیں دیں لیکن جیسے پروٹیسر رتنا سوامی جی

نے کہا تھا کہ آپ نے انڈسٹریز اور زراعت بڑھا دیں - لیکن پروڈکشن کا کیا حال ہے - ہاں میں یہ کہتا ہوں کہ بھرپور مترا - بیورو یٹلائنگ سکھاتے زچن لکھایا کے - وی سہائے یا کسی چیف منسٹر کی کہئے کسی منسٹر کی کہئے - ہر ایک کی آمدنی ان کے چر کہتے ہیں بچائے چلنے کے - ونے کی اشرفیاں پودا کرنے لگ گئے ہیں - تو میں مان لونا کہ پروڈکھٹا انکم بہت بڑھ گئی ہے - مگر یہ حقیقت ہے کہ غریب غریب تو ہو گیا ہے اور مہنگائی کا یہ عالم ہے کہ وہ تقریباً کئی اسیسہر میں آتے گنا چلی گئی ہے - اتنے پر بھی پر کھیٹا انکم کٹلی بڑھی اگر یہ بات سوچیں گے تو میں کانگریس سرکار کو بدھائی دوں گا کہ وہ اس درجہ پر آ گئی ہے کہ اگر یہاں پلجباب میں پچاس روپیہ یا ۵۲ روپیہ پر کونٹل چلا ملتا ہے تو مدواس کے بھائیوں کو ۱۰۵ روپیہ کونٹل دیا جاتا ہے - اس میں سرکار نلکی ہوتی ہے اور اس طرح سے استیٹ سرکار کہتی ہے کہ جہاں سے ایکسپورٹ کرنے کی اجازت دیتے ہیں کہ پچاس پرسنٹ چلا دیواری ہمیں دیں اور وہ دیں کیسے -؟ گے ستاون روپیہ تو کلویتل راجستھان میں دیواری خریدتے ہوں - سرکار کہتی ہے کہ ۵۷ روپیہ کونٹل بھی

تم لو - اس پر خرچہ بھی تم دو لیکن سرکار کو تم ۴۰ روپیہ کونٹل دو - یعنی ہمارا فرق تقریباً ۲۰ روپیہ کونٹل وہ کہتی ہے کہ تم ہم کو دو - سرکار چالیس روپیہ کونٹل لے کر مدواس گورنمنٹ اور گجرات گورنمنٹ کو ۷۲ روپیہ اور ۷۳ روپیہ کونٹل میں دیتی ہے یعنی ایک کونٹل پر ۳۲ - ۳۳ روپیہ نفع لیتی ہے - جب کہ سرکار بیویاریوں کو کہتی ہے کہ بیویاری بڑے چور ہیں - اگر بیویاری چھوٹے کاموں پر سوا چھ پرسنٹ زیادہ کماتے ہیں اور بڑے کاموں پر ایک روپیہ یا سوا روپیہ زیادہ کماتے ہیں تو وہ بڑے چور ہیں - وہ دشمن ہیں لیکن سرکار بڑی خوب صورتی کے ساتھ یہ کہہ کر کہ ہم نے اپنی جھب میں تھوڑا ہی ڈالا ہے - سکھایا جی کہتے ہیں یہ ۳۲ - ۳۳ روپیہ فی کونٹل جو ہم نے کمانے یہ تو پبلک فلڈ میں گئے تو پبلک فلڈ میں اس طرح سے خرچ کیا گیا کہ آپ نے فوجی طاقت کو کٹا کر لیا اور کیا کیا نہیں کیا - اب کا چور وچیلینس اسٹاف تھا وہ موجود نہیں تھا یہ بتانے کے لئے کہ چھن کی کٹلی طاقت ہے کہوں کہ پلڈت جی کو اس کا پورا اندازہ نہیں تھا - تو انہوں نے کہا کہ مار کر پیچھے بھا دو لیکن ہم ۳۰ مہل کی رفتار سے پیچھے بھاگے - آج کچھ میں بھی وہی حالت ہے - ہمارا جو وچیلینس

[ شری عبدالغنی ]

استاثف تھا وہ ن تھا کوئی ہوائی جہاز دیکھ بھال نہیں کر رہا تھا - ہمارے سپاہی کہاں تھے کہ جو بتاتے کہ پاکستان شرارت پر تلا ہے - آپ نے کیوں ایسا نہیں سوچا کہ ہمارے خلاف پاکستان اور چین مل گئے ہیں تو کسی وقت بھی ہمیں پریشان کر سکتے ہیں اور کسی بھی وقت ہمیں تلگ کر سکتے ہیں -

میں بدھائی دوں کہ آپ نے پاکستان کے ہاتھوں اور چین کے ہاتھوں ہندوستان کی تذلیل کرائی - اب یہ رہا کہ آپ انکم ٹیکس پر آسانہاں دے رہے ہیں - مبارک ہو آپ کو اور ہمارے فائنلنس منسٹر کو - لیکن فائنلنس منسٹر نے یہ بھی کہا جن کے پاس چھپا دھن ہے - کوئی خرچ نہیں کر رہا ۶۰ فی صدی ہمیں دیں اور ۴۰ فی صدی خود لے لیں - ہم ان کو کچھ نہیں کہیں گے - کرنی چھگڑا نہیں کریں گے - سرکار نے اتنی آسانہاں دے کر کیا لیا - وائس چیرمین صاحب - مجھے اس بات کے کہنے میں دکھ ہوتا ہے کہ میں نے خود اپنے معزز فائنلنس منسٹر صاحب کو ایک ڈاکومنٹ دیا تھا جس میں میں نے کہا تھا کہ دلی کا ایک بلک ہے جس کی کئی شاخیں ہیں - اس میں کالا دھن بھرا ہے اور وہ کالا دھن اس قلعہ سے پڑا ہے جس میں

انکم ٹیکس سپرٹیکس سر چارج ٹیکس سب سے بچنے کے لئے کسی سرمایہ دار نے وہاں پر اس طرح اس ہوشیاری سے روپیہ رکھا ہے - جس میں ریزرو بلک کو بھی اطلاع دینے کی ضرورت نہ ہو - یعنی جس کا سود چار سو روپے سے بھی سالانہ کم ہے اور اس قلعہ سے اس نے روپیہ رکھا ہے - میں نے اپنی سروسز دیں اور مسٹر رام پرتاپ چوپڑا جو سیلف میڈ ہیں اور بلکنگ میں جو میرے خیال میں بکتا ہیں - ان کی سروسز لیں لیکن ایک مہینہ نہیں دن کے بعد میرے پاس اسسٹنٹ پی - اے - آتے ہیں اور کہتے ہیں کہ کاپی دے دیجئے میں نے کاپی دے دی - تو میں کہتا ہوں کہ جس جات کی میں نے ایک مہینہ تین دن پہلے اطلاع دی اس بلیک منی کا کہا ہوا ہوگا اور کتنا بلیک میں رہا ہوگا - دو سال پہلے اسی بلیک کے ڈائریکٹر نے یہ شکایت ریزرو بلک سے کی تھی کہ چھپاسی لاکھ روپیہ بلیک منی پڑا ہوا ہے اور اس طرح سے دیس کا انکم ٹیکس چرایا جاتا ہے - اور دیس کا نقصان بھی کیا جاتا ہے - اس چھپالسی لاکھ روپیہ کے بارے میں میں نے فائنلنس منسٹر صاحب کو عرضی دی تھی تو اس وقت چھپن لاکھ روپیہ رہ گیا تھا لیکن اب میں نہیں کہتا کہ وہاں چھپن دسے

بھی ہوں گے کہ نہیں - دو مہینے بارہ دن کے بعد مسٹر بلی رام بھگت جی مجھے جواب دیتے ہیں کہ تم جانتے ہو کہ یہ معاملے بڑے تھوڑے ہوتے ہیں بڑے نازک ہوتے ہیں - تو آپ اس میں ہماری مدد کریں - نو مہینے میں اس نے کہا کہ میں نے اسی دن لکھ دیا کہ مہری اور مسٹر رام پورتیا چوپڑہ کی سروسز حاضر ہیں لیکن کسی نے پوچھا نہیں - ویسے ٹھیک ہے جیسا یہ کہتے ہیں کہ انکم ٹیکس پورا لینا چاہتے ہیں رعایت بھی دینا چاہتے ہیں اور یہ بھی چاہتے ہیں کہ زیادہ سے زیادہ بلیک ملی نکل آئے - لیکن سرکار کے کرنے کا تعملگ اتنا خراب ہو گیا ہے جیسا کہ سپرو صاحب نے کہا کہ ہمارا جو ایڈمنسٹریشن ہے وہ حد سے زیادہ ڈیٹریٹ ہو گیا ہے - تو ان سب باتوں کا ایک کارن یہ بھی ہے اور میں اس کے بارے میں کہا کہوں - میں چاہتا ہوں کہ ایسی باتیں اوائڈ کروں - حتیٰ الوسع اب نہ کہیں - آخر سرکار اپنی ہے اور کوئی بھی سرکار ٹیکس لگائے بنا نہیں چل سکتی ہے - ان حالات میں جب کہ دیہی ہر طرح سے کچھ اپنی نادانی سے کچھ دشمنوں کی چالاکیوں سے مصیبت میں ہے تو کم سے کم ایسی باتیں ہمیں نہیں بڑھانی چاہئیں - لیکن جب میں بری بات

دیکھتا ہوں - جب سرکار کے نوٹس میں لاتا ہوں کہ کالا دھن پڑا ہے تو اس کا کوئی کارن ہونا چاہئے کہ وہ مہاں پر کہوں پڑا ہے -

دوسری بات میں کہنا چاہتا ہوں وہ یہ ہے کہ میں اس بات کو فائنل میں مسٹر صاحب کے نوٹس میں اور ہوم مسٹر صاحب کے نوٹس میں اور پرائم مسٹر کے نوٹس میں لایا ہوں کہ پنجاب نیشنل بینک میں کروڑوں روپیئے سے اوپر ایک ہی مد میں سیکوریٹی کی خرید میں غبن ہوا ہے اور اس میں انکم ٹیکس یقیناً ستر لاکھ چوری ہوا ہے - اور اس طرح سے سرکار کو ۷۰ لاکھ روپیئے کا نقصان ہوا ہے لیکن سرکار اس وقت نہیں ہلی کہ کس طرح وہ روپیہ وصول کیا جائے اور کس کو جیل میں بھیجا جائے - یہ بالکل غلط بات ہے لیکن اگر انکم ٹیکس کا یہ حال ہے اور اس طرح - لوگ کہتے ہیں اس کو دین اور سرکار اس کی جانچ بھی کر لے کہ ٹھیک ہے ایک پریمانہسی کہس ہے - اس میں آسانی ہو جائے اور اس میں سات سات سو اور آٹھ سو مضمون کی رپورٹ بھی تیار ہو جائے - خود سرکار انکوائری کرائے اور پھر بھی اس میں کچھ نہ کرے اور سرکار کو یہ چل جائے کہ ریزرو بینک کا دونوں باتوں میں کلنٹیلنس ہے یہ ایک بہت ہی بری بات ہے -

## [شری عبدالغنی]

پہلے جو میں نے ہیڈن مٹی کے بارے میں کہا تھا اس وقت ۱۹۶۲ ع میں ریزرو بنک کے نوٹس میں یہ بات آئی تھی ارد اس نے اس پر کچھ ایکشن بھی لیا - جو بھکار تھا اور غلط (وقت کی گھنٹی) - مسٹر وائس چیرمین - آپ یا تو مجھے وقت نہ دیا کریں - اور اگر وقت دیتے ہیں تو مجھے کہلے دیا کریں کہوں کہ آپ تو آفیشیل پارٹی سے ہلونگ کرتے ہیں لیکن میں آپ کو یقین دلانا چاہتا ہوں کہ میں آپ کا بڑا ادب کرتا ہوں اور مجھے یقین ہے کہ آپ مجھکو تھوڑا سا وقت اور دیں گے وائس چیرمین صاحب -

## اپ سبھا ادھکش (شری اکبر علی

خان): پندرہ مذمت آپ کے لئے ہیں اور پندرہ مذمت پر آپ کو توجہ دلائی ہے -

## شری عبدالغنی: ویسے سرکار مہری

نکاح بہت نہیں ہے - آنکھیں میری کم زور ہو گئی ہیں - مگر کم زور ہونے پر بھی میں کھڑی پر نظر رکھنے کی کوشش کرتا ہوں - ایک بات میں کہنا چاہتا ہوں وہ یہ ہے کہ میں نے انکم ٹیکس کے بارے میں کھلم کھلا کہا کہ ایک ہی کھپسیتی کی ملے ہیں - ایک ہی طاقت ہے ایک سا کوٹہ ملتا ہے ایک ہی

طرح کی فیسبلٹی ملتی ہے - اور پھر ایک مل ایلی آمدنی سترہ لاکھ دکھائی ہے اور دوسری تین لاکھ دکھائی ہے - تو میں یہ کہنا چاہتا ہوں کہ کوئی بھی اندھی سرکار ہوگی وہ اس بات کا اندازہ لگا سکتی ہے کہ یہ ویسٹڈ یارن اسٹیل اور یہ ٹیکسٹائل کی ملوں جو ہیں - اگر کوئی کمپنی سرکار بٹھائے کسی سرکاری آفیسو کو بٹھائے ان کے بارے میں جانچ کرنے کے لئے اور میں اس میں یہ ثابت نہ کروں کہ ایک ایک جگہ پر بے ایمانی ہے اس میں سرکار کی نیگیلیجس ہے اس میں سرکاری آفیسروں نے نیگیلیجس کی ہیں تو سرکار جو مجھے سزا دینا چاہے میں اس کو لہجے کے لئے تیار ہوں - میں دونوں باتوں کے لئے اسٹینڈ کرتا ہوں - پنجاب نیشنل بینک کے بارے میں اور ہیڈن مٹی کے بارے میں بھی - اور اس بات کے بارے میں بھی کہ ایک ہی کھپسیتی کی ملیں ہیں اور جن کو ایک ہی طرح کی فیسبلٹی ملے ہیں اس پر سرکار پورے طور پر اس بات کے لئے ذمہ دار ہے کہ وہ ان کے اندر اچھی طرح سے جانچ نہیں کر پائی ہے - وائس چیرمین - میں آپ کا حکم مانتا ہوں لیکن ایک بات کہہ کر ختم کر دوں گا کہ اتھارہ برسوں میں ہمارے دشمن انگریز یہاں نہ

تھے - ہماری اپنی حکومت تھی - وہ کسانوں کو کم زور کرتا تھا تاکہ اس کو سستے سپاہی مل سکیں لیکن آپ کی تو یہ حالت نہیں ہے - میں پوچھنا چاہتا ہوں کہ اٹھارہ برس میں تین یوجنائیں چلانے کے بعد اور ارب ہا روپیہ خرچ کرنے کے بعد آج بھی وہی حالت کیوں ہے کہ انگریزوں نے سب سے زیادہ غلہ جو منگوا یا تھا اس سے تین گنا زیادہ ہم آج منگا رہے ہیں اور جس کو رفیع احمد صاحب ۱۰ لاکھ ٹن پر لے آئے تھے - انگریزوں نے سب سے زیادہ ۲۳ لاکھ ٹن غلہ منگوا یا تھا اور رفیع احمد صاحب اسے ۱۰ لاکھ ٹن تک لے آئے تھے لیکن پچھلے سال ۹۷ لاکھ ٹن منگوانے کی کیوں ضرورت پڑی؟ کیا یوجناں پر ہمارا سارا روپیہ بے کار کیا؟ آج وہ ہوتا ہے جیسا ڈاکٹر انوپ سنگھ نے کہا کہ رات کو کچھ خواب آتا ہے اور صبح کوئی اسکیم بن جاتی ہے کہ یہ کارپوریشن بنا دو یا فلاں انڈسٹری بنا دو - یہ باتیں تو اسی طرح ہیں -

کھلونے دے کے بہلایا گیا ہوں

تمناؤں میں الجھایا گیا ہوں

کب تک آپ کی یہ باتیں چلیں گی؟ اگر آپ سنڈر آنکڑوں سے ہماری تسلی کرنا چاہیں تو ہم فائنلس منسٹر صاحب کو مبارکباد دیتے ہیں کہ آنکڑے بڑے سنڈر ہیں اور اس میں

بڑے سنڈر ڈھنگ سے فائنلس ڈیپارٹمنٹ میں پیش کیا ہے - لیکن اگر ملک میں فاقہ مستی ہے - اگر بھوکوں ہم مر رہے ہیں اور دو دو کلو اناج کے لئے لوگوں کو گھلتوں کھڑا ہونا پڑتا ہے تو میں یقین دلانا ہوں کہ سرکار نہیں وہ سکیگی اور یقیناً آپ کو نیشنل گورنمنٹ بلانی پڑے گی تاکہ آپ پارٹی کے ووٹوں کی الجھلوں سے بچ سکیں - اور دیس کی بھلائی کی باتیں سوچ سکیں -

†[श्री अब्दुल ग़नी (पंजाब): वाइस चैयरमैन साहब, देश पिता महात्मा गांधी ने दो बातें कहीं । एक यह कि कांग्रेस ताड़ दो ताकि देश वाले अपने दश की भलाई को जिस तरह मुतासिव मुसमलें उसी तरह सब मिल जुल कर करें । नहीं माना तो उन्होंने कहा कि मैं आंकड़ों को जलट में नहीं पड़ना । यह आंकड़े जो किताबों पर आप दिखाते हैं यह मेरी तसल्ली नहीं करने । जनता जिस में मैट्रिफाइड है, जनता जिस से जिए, वह बात मेरी तसल्ली का वाइस हो सकती है । मरहूम रफी अहमद किदवाई ने श्रीर स्वर्गीय सरदार पटेल ने भी ऐसे काम किए देश की भलाई के लिए देश की बहवूदी के लिए आज तक सरदार पटेल को मर्दआहन के नाम से पुकारते हैं आयरमैन कहते हैं और रफी अहमद किदवाई को हर एक्के वाला टांगे वाला या रक्शा वाला आज अन्नदाता के नाम से याद करता है । मुझे खुशी है कि इनकम टैक्स को साधारण रूप देने की कोशिश की गई । मुझे यह भी खुशी है कि अगर हम फाइनांस बिल पर गौर करें तो काफी खूब सूरत दिखाई देता है, लेकिन मैं तो अपनी सरकार को बधाई देना चाहता

†[ ] Hindi transliteration.



[ श्री अब्दुल गनी ]

हूँ कि मेरी सरकार ने तीन योजनाएँ बनाईं, अठारह बरस तक बिला शरकत गैर हकूमत की लेकिन तिन्वत, चाऊ एन लाई और भाउ-त्से-तुंग को दे कर अपना बाइस सौ मील का बाडर खतरे में डाला। खतरे में डाल दिया और उस का नतीजा यह हुआ कि एक तरफ पाकिस्तान ने आज से कई बरस पहले, सत्तरह बरस पहले हमारे काश्मीर पर जो उस का बहुत बड़ा हिस्सा था कब्जा कर लिया और अठारह बरस में यह सब टैक्स लेने के बावजूद जो टैक्सज पहले से कई गुना बढ़ गए हैं, गरीब पर, जैसा मणि जी ने कहा माचस पर क्या मिट्टी तेल पर क्या जितना दिल में आया आप ने टैक्स लगाया। खरब हो रुपया नहीं अरबहो रुपया आप ने कर्जा लेने की कोशिश की लेकिन तीन योजनाओं का क्या कुछ नतीजा निकला है। नतीजा यह है कि डाक्टर सप्रू कहते हैं कि एडमिनिस्ट्रेशन, जो है हर लिहाज से जलील हो गया है। मैं जानना चाहता हूँ कि क्या अठारह बरस बाद भी आज यह सरकार अपने टैक्सज को सुन्दर बना कर अपना सरप्लस बजट कह कर देशवासियों को खुश कर सकती है। जबकि हकीकत यह है कि पाकिस्तान के हाथों पै-दर पे हमें जिल्लत हुई। हमें काश्मीर के मामले में न सिर्फ अपने दुश्मन से नुकसान हुआ बल्कि दुश्मन ने हमारे काश्मीर के हिस्से को और बहुत बड़े काफ़ी हिस्से को चीन के सपुर्द कर दिया। आज हकीकत यह है कि खुद भी सत्तरह वर्ष तक सरकार ने अपना दिमाग साफ नहीं किया कि काश्मीर इसी तरह का स्टेट है जैसे पंजाब, उत्तर प्रदेश या राजस्थान है। आप उस को एक अलाहदा स्टेट समझते रहे। जंगल का तो एक शेर होता है लेकिन आप के दो वजोरे आजम रहे एक काश्मीर का वजोरे आजम था और एक भारत का वजोरे आजम था।

आज हालत क्या है, आज काश्मीर में एक तरफ झगड़ा पड़ा हुआ है और दूसरी तरफ आप ने शेख अब्दुल्ला को पकड़ लिया है यह आपकी अपनी पसन्द है कि आप ने उसको पकड़ा लेकिन आप ने क्या इस के रिएक्शन को भांपा? अगर नहीं भांपा तो शेख अब्दुल्ला की सजा काश्मीर के आबाम को नहीं दी जानी चाहिए। आप ने मोलाना सैयद मसूदी को जकड़ कर के क्या लिया। आखिर आप अपनी पालिसी के बारे में दुनिया में कहते रहते हैं लेकिन जितने भी आप के हमदर्द देश हैं जो दोस्ती का दम भरते हैं। आज उन में से कितने हैं जिन्होंने काश्मीर के मामले पर या कच्छ के मामले में पाकिस्तान को कंडम किया हो या जो नेफा नदाख में चीन ने ज्यादाती की थी उस वक्त उन्होंने कंडम किया हो कि वह एग्रेसर है?

आप ने सत्तरह वर्षों में हमें क्या दिया? आप ने बड़ी बड़ी योजनाएँ दी, बड़ी बड़ी स्कीमें दी। लेकिन जैसे प्रोफेसर रत्ना स्वामी जी ने कहा था कि आप ने इण्डस्ट्रीज और जरायत बढ़ा दी लेकिन प्रोडक्शन का क्या हाल है हाँ मैं यह कहता हूँ कि बिरेन मित्रा, बीजू पटनायक, सुखाडिया, निजलिगप्पा, के० बी० सहाय या किसी चीफ मिनिस्टर को कहिए, किसी मिनिस्टर को कहिए हर एक की आमदनी उनके जो खेत हैं बजाए चने के सोने की अशाफियाँ पैदा करने लग गए हैं। तो मैं मान लूंगा कि पर केपिटा इनकम बहुत बढ़ गई है। मगर यह हकीकत है कि गरीब गरीब तो हो गया है और मंहगाई का यह आलम है कि वह तकरीबन कई स्फीयर में आठ गुना चली गई है। इतने पर भी पर केपिटा इनकम कितनी बढ़ी अगर यह बात सोचेंगे तो मैं कांग्रेस सरकार को बधाई दूंगा कि वह इस दर्जे पर आ गई है कि अगर यहाँ पंजाब में पचास रुपये या 52 रुपये पर क्विटल चना मिलता है तो मद्रास के भाइयों

का 105 रुपये क्विंटल दिया जाता है। इसमें सरकार नंगी होती है और इस तरह से स्टेट सरकार कहती है कि जहां से एक्सपोर्ट करने की इजाजत देते हैं कि पचास परसेंट चना व्यापारी हमें दें और वह दें कैसे ? कि सत्तावाने रुपये क्विंटल तो राजस्थान में व्यापारी खरीदते हैं। सरकार कहती है कि 57 रुपये क्विंटल भी तुम दो, इस पर खर्चा भी तुम दो लेकिन सरकार को तुम 40 रुपया क्विंटल दो। यानी हमारा फर्ज तकरीबन 20 रुपये क्विंटल वह कहती है कि तुम हम को दो। सरकार चालीस रुपये क्विंटल ले कर मद्रास गवर्नमेंट और गुजरात गवर्नमेंट को 72 और 73 रुपये क्विंटल में देती है यानी एक क्विंटल पर वह 32-33 रुपये नफा लेती है। जब कि सरकार व्यापारियों को कहती है कि व्यापारी बड़े चोर हैं। अगर व्यापारी छोटे कामों पर सवा छः परसेंट ज्यादा कमाते हैं और बड़े कामों पर एक रुपया या सवा रुपया ज्यादा कमाते हैं तो वे बड़े चोर हैं। वे देश के दुश्मन हैं लेकिन सरकार बड़ी खूब सूरती के साथ यह कह कर कि हम ने अपनी जेब में थोड़ा ही डाला है। सुखाडिया कहते हैं यह 32-33 रु० फी क्विंटल जो हम ने कमाए यह तो पब्लिक फंड में गये। तो पब्लिक फंड में इस तरह से खर्च किया गया कि आप ने फौजी ताकत को कितना गिराया और क्या क्या नहीं किया। आप का जो विजिलेंस स्टाफ था वह मौजूद नहीं था यह बताने के लिए कि चीन की कितनी ताकत है क्योंकि पंडित जी को उस का पूरा अन्दाजा नहीं था तो उन्होंने कहा कि मार कर पीछे भगा दो। लेकिन हम 30 मील की रफ्तार से पीछे भागे। आज कच्छ में भी वही हालत है हमारा जो विजिलेंस स्टाफ था वह नहीं था कोई हवाई जहाज देख भाल नहीं कर रहा था हमारे सिपाही कहां थे कि जो बताते कि पाकिस्तान शरारत पर तुला है। आप ने क्यों ऐसा नहीं सोचा कि हमारे खिलाफ पाकिस्तान और चीन मिल गए हैं तो किसी वक्त भी हमें परेशान

219 RS-8.

कर सकते हैं और किसी भी वक्त हमें न कर सकते हैं ?

मैं बधाई दूँ कि आप ने पाकिस्तान के हाथों और चीन के हाथों हिन्दुस्तान की तबलील कराई। अब यह रहा कि आप इनकम टैक्स पर आसानियां दे रहे हैं। मुबारक हो आप को और हमारे फाइनेंस मिनिस्टर साहब को। लेकिन फाइनेंस मिनिस्टर ने यह भी कहा जिन के पास छुपा धन है, कोई हर्ज नहीं कि वे 60 फीसदी हमें दें और 40 फीसदी खुद ले लें, हम उन को कुछ नहीं कहेंगे, कोई झगड़ा नहीं करेंगे। सरकार ने इतनी आसानियां दे कर क्या लिया। वाइस चैयरमैन साहब, मुझे इस बात के कहने में दुःख होता है कि मैंने खुद अपने मौज्जिज फाइनेंस मिनिस्टर साहब को एक डाकूमेंट दिया था जिस में मैंने कहा था कि दिल्ली का एक बैंक है जिस की कई शाखाएं हैं इसमें काला धन भरा है और वह काला धन इस ढंग से पड़ा है जिसमें इनकम टैक्स, सुपर टैक्स सरचार्ज टैक्स सब से बचने के लिए किसी सरमायादार ने वहां पर इस तरह इस होशियारी से रुपया रखा है जिसमें रिजर्व बैंक को भी इत्तला देने की जरूरत न हो। यानी जिस का सूद चार सौ रुपये से भी सालाना कम है और इस ढंग से उस ने रुपया रखा है। मैंने अपनी सविस्जि दी और मिस्टर राम प्रताप चोपड़ा जो सेल्फ मेड हैं और बैंकिंग में जो मेरे ख्याल में यकता हैं, उनकी सविस्जि ली लेकिन एक महीना तीन दिन के बाद मेरे पास असिस्टेंट पी० ए० आते हैं और कहते हैं कि कापी दे दीजिए। मैंने कापी दे दी। तो मैं कहता हूँ कि जिस बात की मैंने एक महीना तीन दिन पहले इत्तला दी उस ब्लैक मनी का क्या हुआ होगा और कितना बैंक में रहा होगा ? दो साल पहले इस बैंक के डायरेक्टर ने यह शिकायत रिजर्व बैंक से की थी कि 86 लाख रुपया ब्लैक मनी पड़ा हुआ है और इस तरह से देश का इंकम टैक्स चुराया जाता है और देश का नुकसान भी किया जाता है। इस 86

### [ श्री अब्दुल गनी ]

लाख रुपये के बारे में मैंने फाइनेन्स मिनिस्टर साहब को अर्जी दी थी तो उस वक्त छप्पन लाख रुपया रह गया था लेकिन अब मैं नहीं कहता कि वहां छप्पन पैसे भी होंगे कि नहीं। दो महीने बारह दिन के बाद मिस्टर बली राम भगत जी मुझे जवाब देते हैं कि तुम जानते हो कि यह मामले बड़े टेढ़े होते हैं बड़े नाजुक होते हैं—तो आप इसमें हमारी मदद करें। तो मैंने हंस कर कहा कि मैंने उसी दिन लिख दिया था कि मेरी और मिस्टर राम प्रताप चोपड़ा की सर्विसिज हाज़िर है लेकिन किसी ने पूछा नहीं। वैसे ठीक है जैसा यह कहते हैं कि इनकम टैक्स पूरा लेना चाहते हैं रियायत भी देना चाहते हैं और यह भी चाहते हैं कि ज्यादा से ज्यादा ब्लैक मनी निकल जाए। लेकिन सरकार के करने का ढंग इतना खराब हो गया है जैसा कि सप्रू साहब ने कहा कि हमारा जो एडमिनिस्ट्रेशन है वह हृद से ज्यादा डिट्रिओरेट हो गया है। तो इन सब बातों का एक कारण यह भी है और मैं उसके बारे में क्या कहूं। मैं चाहता हूं कि ऐसी बातें एवाइड करूं, हत्तुलवसा।

आखिर सरकार अपनी है और कोई भी सरकार टैक्स लगाए बिना नहीं चल सकती है इन हालात में जब कि देश हर तरह से कुछ अपनी नादानी से, कुछ दुश्मनों की चालाकियों से मुसीबत में है तो कम से कम ऐसी बातें हमें नहीं बढ़ानी चाहिए। लेकिन जब मैं बुरी बात देखता हूं जब सरकार के नोटिस में लाता हूं कि काला धन पड़ा है तो उसका कोई कारण होना चाहिए कि वह वहां पर क्यों पड़ा है।

दूसरी बात मैं कहना चाहता हूं वह यह है कि मैं इस बात को फाइनेन्स मिनिस्टर साहब के नोटिस में और होम मिनिस्टर साहब के नोटिस में और प्राइम मिनिस्टर साहब के नोटिस में लाया हूं कि पंजाब नेशनल बैंक में करोड़ों रुपये से ऊपर एक ही मद में सिव्यूरिटी की खरीद में ग़बन हुआ है और उस में इनकम

टैक्स यकीनन सत्तर लाख चोरी हुआ है। और इस तरह से सरकार को 70 लाख रुपये का नुकसान हुआ है लेकिन सरकार उस वक्त नहीं हिली कि किस तरह वह रुपया वसूल किया जाए और किसी को जेल में भेजा जाए। यह बिल्कुल ग़लत बात है लेकिन अगर इनकम टैक्स का यह हाल है और इस तरह से लोग खुले बन्दों ऐसा करें, और सरकार इस की जांच भी कर ले कि ठीक है एक प्राइमाफेसी केस है इसमें तसल्ली हो जाए और इसमें सात सात सौ और आठ आठ सौ सफ़ों की रिपोर्ट भी तैयार हो जाए खुद सरकार इन्क्वायरी कराए और फिर भी उस में कुछ न करे और सरकार को पता चल जाए कि रिज़र्व बैंक का दोनों बातों में कनाइबेंस है तो यह एक बहुत ही बुरी बात है। पहले जो मैंने हिडन मनी के बारे में कहा था उस वक्त 1962 में रिज़र्व बैंक के नोटिस में यह बात आई थी और उसने इस पर कुछ ऐक्शन भी लिया—जो बेकार था और ग़लत—(Time Bell Rings) मिस्टर वाइस चेयरमैन आप या तो मुझे वक्त न दिया करे और अगर वक्त देते हैं तो मुझे कहने दिया करे। क्योंकि आप तो ऑफिशियल पार्टी से विलॉग करते हैं लेकिन मैं आपको यकीन दिलाना चाहता हूं कि मैं आप का बड़ा अदब करता हूं और मुझे यकीन है कि आप मुझको थोड़ा सा वक्त देंगे वाइस चेयरमैन साहब।

उपसभाध्यक्ष (श्री अकबर अली खां) : पन्द्रह मिनट आप के लिए हैं और पन्द्रह मिनट पर आप को तबज़ो दिलाई है।

श्री अब्दुल गनी : वैसे सरकार मेरी निगाह बहुत नहीं है, आखें मेरी कमज़ोर हो गई हैं मगर कमज़ोर होने पर भी मैं घड़ी पर नज़र देखने की कोशिश करता हूं। एक बात मैं कहना चाहता हूं वह यह है कि मैंने इनकम टैक्स के बारे में खुल्लमखुल्ला कहा कि एक ही केपिसिटी की मिलें हैं एक ही ताकरे है एक सा कोटा मिलता है एक ही तरह की फैसिलिटी मिलती है और फिर एक मिल अपनी आमदनी सत्तरह लाख दिखाती है और दूसरी

तीन लाख दिखाती है। तो मैं यह कहना चाहता हूँ कि कोई भी अंधी सरकार होगी जो इस बात का अन्दाज़ा लगा सकती है कि यह वेस्टिड यारन स्टील और टेक्सटाइल की मिलें जो हैं अगर कोई कमेटी सरकार बिठाए किसी सरकारी अफसर को बिठलाए उनके बारे में जांच करने के लिए और मैं इस में यह साबित न करूँ कि एक एक जगह पर बेईमानी है, उस में सरकार की नेगलीजेंस है, उस में सरकारी अफसरों ने नेगलीजेंसी की है तो सरकार जो मुझे सजा देना चाहे मैं उस को लेने के लिए तैयार हूँ। दोनों बातों के लिए स्टैंड करता हूँ पंजाब नेशनल बैंक के बारे में और हिडन मनी के बारे में भी। और इस बात के बारे में भी कि एक ही केपिसिटी की मिलें हैं और जिन को एक ही तरह की फैसिलिटीज़ मिली हैं उस पर सरकार पूरे तौर पर इस बात के लिए जिम्मेदार है कि वह उनके अन्दर अच्छी तरह से जांच नहीं कर पाई है। वाइस चेयरमैन मैं आप का हुक्म मानता हूँ लेकिन एक बात कह कर खत्म कर दूंगा कि अठारह बरसों में हमारे दुश्मन अंग्रेज यहां न थे, हमारी अपनी हुकमत थी। वह किसानों को कमजोर करता था ताकि उस को सस्ते सिपाही मिल सकें लेकिन आप की तो यह हालत नहीं है। मैं पूछना चाहता हूँ कि अठारह वर्ष में तीन योजनाएं चलाने के बाद और अरबों रुपये खर्च करने के बाद आज भी वही हालत क्यों है कि अंग्रेजों ने सब से ज्यादा गल्ला जो मंगाया था उस से तीन गुना ज्यादा हम आज मंगवा रहे हैं और जिस को रफी अहमद साहब 10 लाख टन पर ले आये थे। अंग्रेजों ने सबसे ज्यादा 23 लाख टन गल्ला मंगवाया था और रफी अहमद साहब इसे 10 लाख टन तक ले आए थे। लेकिन आज 67 लाख टन मंगवाने की क्यों जरूरत पड़ी? क्या योजनाओं पर हमारा सारा रुपया बेकार गया? आज वह होता है जैसा डाक्टर अनूप सिंह ने कहा कि रात को कुछ खाव आता है सुबह कोई स्कीम बन

जाती है कि यह कारपोरेशन बना दो या फल इण्डस्ट्री बना दो। यह बातें तो इस तरह हैं:—

खिलोने दे के बहलाया गया हूँ।

तमन्नाओं में उलझाया गया हूँ।।

कब तक आप की यह बातें चलेंगी? अगर आप सुन्दर आंकड़ों से हमारी तसल्ली करना चाहें तो हम फाइनांस मिनिस्टर साहब को मुबारकबाद देते हैं कि आंकड़े बड़े सुन्दर हैं और उस में बड़े सुन्दर ढंग से फाइनांस डिपार्टमेंट में पेश किया है। लेकिन अगर मुल्क में फाकामस्ती है, अगर भूखों हम मर रहे हैं और दो दो किलो अनाज के लिए लोगों को घंटों खड़ा होना पड़ता है तो मैं यकीन दिलाता हूँ कि यह सरकार नहीं रह सकेगी और यकीनन आप को नेशनल गवर्नमेंट बनानी पड़ेगी ताकि आप पार्टी के बोटों की उलझनों से बच सकें और देश की भलाई की बातें सोच सकें।]

SHRI N. M. ANWAR (Madras): Mr. Vice-Chairman Sir, I rise to congratulate our Finance Minister, the hon. Shri T. T. Krishnamachari, for the very brilliant way he has projected the image of Shastri Government by breathing in his Budget proposals and the Finance Bill the common sense of the common man. With a note of robust optimism in our national economy, which he has generated through his surplus Budget, not only has he simplified the tax structure; he has also provided reliefs and rebates in personal taxation and, by and large, he has provided numerous concessions in respect of consumer goods with only three unpardonable exceptions—sugar, matches and kerosene.

Well, there is one new element which we see in his Finance Bill, and that is the new brain wave of the Income-tax Credit Certification. I am very happy that this scheme is going to benefit ever so many categories of industries, for promoting investments in new ventures, for encouraging shift-

[Shri N. M. Anwar.] ing to rural areas the urban industries, for the promotion of exports, for increasing production in all the industries covered by the First Schedule, and for increasing production in excisable commodities.

But, Mr. Vice-Chairman, let me now plead for the tanning industry, which is the goose that lays the golden eggs for our foreign exchange to the tune of forty crores of rupees every year. As the honorary secretary of the Southern India Skin and Hide Merchants Association, Madras, I plead that skins and hides must come for the full benefits of this scheme of Income-tax Credit Certificates. In order to promote an integrated approach and also to see that we foster a national outlook, I want that we should correct the lopsided development in our country by extending the facilities of this Certificate even for the migration of capital from progressive States to the backward States which we have in our country. Unfortunately, U.P., M.P., Rajasthan and Bihar happen to be still in the back waters of our national economy. And how are we to see that these areas come up and also join the main stream in matters of our national economic development? I therefore wish that we extend the incentives, the benefits of the scheme, to the entrepreneurs in the different progressive areas for the migration of their capital from progressive areas to backward areas, for the development of the backward areas, with a tax holiday for the first five to six years.

Well, Mr. Vice-Chairman, I see that the Budget proposals provide good scope for larger industrial production and for larger agricultural output but, unfortunately, we have to take the warning from the year under review that industrial growth has declined from 9.4 per cent in 1963 to 6.7 per cent in 1964. As for agricultural production, despite the numerous incentives that have been given, the posi-

tion today is that it has risen by only three points from 137 to 140, and even among these three points, it is only one point which is due to productivity, and the other two points, due to increased acreage under cultivation.

While production in the centralised sector of the textile industry continues to be stagnant, we are happy to note that production in the decentralised sector of textiles, namely the power looms, handlooms and *khadi*, has increased phenomenally. Yet, instead of encouraging this production and diversification of economy, the Finance Bill imposes many penalties, which hamper the production in the powerloom sector. I want that the Finance Minister realises that there is no need for a registration fee of Rs 25 per loom for those who possess less than four looms. Also why should we penalise any transfer of looms above four if for mere convenience residence is to be changed? Then again, with regard to powerlooms, let me say this that the Asoka Mehta Committee has gone into this question thoroughly and its valuable recommendations need to be implemented effectively and very soon. We want to see that a certain quota of the textiles is earmarked for production in the powerloom sector, and that we pass on all excise to the production end of the yarn in the centralised sector.

While framing the fiscal and economic policies of the country, I would urge upon the Finance Minister to see that greater production, better distribution and stabilisation of the prices should be among the fundamentals of our policy. Unfortunately, despite the fact that Pandit Jawaharlal Nehru had appointed the Mahalanobis Committee to go into the question of the monopolistic tendencies in our national economy, today we still find that there are many giants growing like leviathans devouring in their entrails the little worms that suffer

existence in different industries. We must <sup>have</sup> to see that the Government place effective curbs so that the monopolistic tendencies come in for check.

Well, we have got now the alarming proportions and dimensions of inflation confronting our country to day. The purchasing power of the rupee has declined at home and abroad, and that is a point to which reference has been made by different leading lights of this House, and I am afraid with the planning that we have—and now we are at the threshold of the Fourth Five Year Plan—I am afraid that all our resources and all our programmes will be shipwrecked on the rock of inflation if the Finance Minister does not take time by the forelock and see that effective means and ways are devised to bring down inflation. I am happy that he has not resorted to deficit financing, but nevertheless we see that there are so many instruments which contribute to this inflation. Well, it is due to the psychopathology of our national disease that we have in our country heavy accumulations of black money. This, I believe is the most tremendous reflection against our national character.

SHRI A. D. MANI: It is there in England also.

SHRI N. M. ANWAR: But Mr. Man] need not worry about England when we are thinking of India.

I like of course the proposal that the Finance Minister has brought forward to attract black money and I am sure that this gives an opportunity for the people who hoarded this money to come forward and make use of the opportunity. But I would also say that there are certain delicacies and difficulties which have got to be probed into, and I wish that Government realises that recoveries of black money should be rendered easier, that the black money divulged is al-

lowed to be paid in instalments if at all it is forthcoming from that quarter.

Therefore, Mr. Vice-Chairman, . . .

THE VICE-CHAIRMAN (SHRI AKBAB ALI KHAN) : You have only two more minutes, Mr. Anwar.

SHRI N. M. ANWAR: Mr. Vice-Chairman, I am coming to the most vital aspect of my speech. I see that Rs. 748 crores have been earmarked from the national exchequer for our defence.

AN HON. MEMBER: Rs. 749 crores.

SHRI N. M. ANWAR: Not all is quiet on our western front. Nor are we free from dangers on our other borders, all along the line, from end to end, all the 5,000 and odd miles. What an irony of fate that we who have been persistently preaching the pursuit of the paths of peace to the peoples of the world should find ourselves surrounded by hostile neighbours on 'our frontiers! But then, Mr. Vice-Chairman, though the situation has become very dark, here we have got to take courage and take this as a challenge that has come to India. I know we have to negotiate for peace. While we should not negotiate through fear, we should not fear to negotiate.

SHRI LOKANATH MTSRA (Orissa): Don't you consider it to be failure of your foreign policy?

SHRI N. M. ANWAR: Well, Mr. Vice-Chairman, this is a tremendous tribute to our foreign policy which has become an eyesore to our neighbours.

AN HON. MEMBER: Though it is failing?

SHRI N. M. ANWAR: We now feel that we are having now before us an opportunity to carry conviction to the world with regard to how we have been pursuing this policy of non-alignment. But Mr. Vice-Chairman, what I wish to say now is that I am very

[Shri N. M. Anwar.] much pained that we have got this Sino-Indian conflict. That is dangerous. But much more dangerous is the Indo-Pakistan conflict. Why? Because I feel that sooner than later this Indo Pakistan conflict may escalate into a Hindu-Muslim conflict. I know there are the assurances to the contrary given by the powers that be. But then even the martyrdom of Mahatma Gandhi and the dynamic personality of Jawaharlal Nehru have not stopped that rot and I am afraid sooner than later, that holocaust might engulf the whole of this sub-continent, India and Pakistan.

AN HON. MEMBER: It will never be.

SHRI N. M. ANWAR: I say it should not be so. I am not suggesting it. I know that when we had that sorrowful spectacle only last year of certain grave incidents in the eastern corners of our country, we went actually with a goodwill mission to promote Hindu-Muslim unity through the nooks and corners of our country. And the Muslim community of India, these 60 million Muslims of India, have taken a warning from that and a lesson for the future and got united together as one man and resolved that come what may, whatever be the provocation, they shall remain determined to stay in this country. And I must tell you, particularly as the Secretary-General of the All India Muslim Majlis-e-Mushawarah which went with this message of goodwill, all along some 8,000 miles in our country, we were thunder struck to see the Muslim community rallying round as one man and demonstrating a sense of loyalty and love for the motherland and shouting "Hindustan Zindabad", "Hindu-Muslim Zindabad", much to the envy of the world! This we saw in the very wake of the holocaust and that tragedy which we had witnessed in that part of the country. Now, I must tell you, Mr. Vice-Chairman, that these 60 million Muslims of our country are going to be the saviours of India. Here, let me remind my

countrymen, particularly those of my community, the classic anecdote of Madura. Some 700 years ago, when Emperor Allauddin Khilji ordered his great general, Malik Kafur, to take his army down south, he took that invincible army south, conquering territory after territory some 1,500 miles until at last he reached the gates of the city of Madura. There he learnt that there were 7,000 odd Muslims within that great temple city of Madura. Naturally in his compassion for his co-religionists he sent a message to them to cross over. But Mr. Vice-Chairman, what a wonderful reply he received from those Muslims of Madura. They met together and in consensus and with one voice they said as one man, "Well, Malik Kafur, you may act under the orders of your king. But we have consulted the holy Koran and what the King of Kings, Allah, says. He has urged on us, Muslims, to remain loyal to the country, to the kingdom where the king has guaranteed them freedom of worship, freedom of culture and freedom of expression. And that is what our king has done and we are in duty bound to stand by the king, come what may." That was the reply that was given to Malik Kafur. And also one thing more I must say, and that is of utmost significance to the future of our country. Those Muslims of Madura also said, "If you decide to order your army to invade this town, this kingdom, then they shall have to walk over the dead bodies of these 7,000 Muslims of Madura, for we are determined to lay down our lives and to stand by our King and our kingdom."

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Thank you.

SHRI N. M. ANWAR: Malik Kafur was flabbergasted at this wonderful and exemplary loyalty and he said, "Bravo, Muslims, I congratulate you for your sense of religious duty and for standing by your king. And I congratulate your king also for protecting the Muslims." And thereafter, he turned his army away without

firing a shot and without killing a soul. Likewise, Mr. Vice-Chairman, I appeal to the powers that be, let not a single hair of a single Muslim of this country be allowed to be touched and when this is done, it shall be the duty of Mr. Anwar and all Muslims to defend this country and they shall be the saviours of India and even the whole world combined against this country cannot do anything, even a little damage to this country so long as you are able to carry the conviction and confidence of these 60 million Muslims of India and they, I dare say, are our greatest asset and our first safeguard! Thank you, Mr. Vice-Chairman.

SHRI SANKAR PRATAP SINGH DEV (Orissa): Mr. Vice-Chairman, the reaction in my mind uppermost at the present moment is that with Pakistan occupying Kanjarkot and with the Pakistan army on our Kutch border, and when as a result of the Pindi-Peking axis we are apprehending attacks from different sides I should have liked to have a defence-oriented Budget. We hear of concentrations both on the North-East and on the North-West, of incursions in Ladakh which continue unabated. When that is the position, are we going to sit idle and not strengthen our defence measures? I would request your permission to read out what Pakistan feels about this dispute. This is what they say:

"The latest description of the boundary of Kutch State in an Imperial Gazetteer is that contained in the 1908 edition. This Gazetteer was published under the authority of the Secretary of State of India. It is, therefore, the declaration of the Paramount Power on the subject.

The Imperial Gazetteer of India, Volume XI of 1908, on page 74 describes Kutch as "bounded on the north and north-west by the Province of Sind ... its limits, exclusive of a portion of the great salt marsh termed the Rann, extended

from 22 degrees North, and from 68 degrees 25 minutes to 71 degrees 11 minutes East.

The 1908 Gazetteer clearly fixes the boundary of Kutch State, as extending not beyond 24 degrees N. latitude, which is the middle of the Rann.

The 'other Gazetteers cited by India, from time to time, in her venture to grab the territory, are not only dubious in content, but are also publications merely of the local Government.

On the basis of the historical facts and exercise of jurisdiction, Pakistan could lay claim to the whole of the Rann of Kutch, over which the Sind Administration had been exercising jurisdiction long before Pakistan came into being."

Sir, this is what Pakistan is thinking about the dispute. So, unless we stand up to the mark, I do not think the British mediation or any mediation will give us back the country's territory!. When I talk of defence, I talk of it on a national basis. The myth of invincibility of India's defence exploded in 1962 when China attacked India, invaded our sacred mother land and she is sitting tight on Indian soil which is under her occupation, I think, about 13,000 square miles. We have not been able to challenge them as yet. The Indian Army that we have inherited from the British Imperial Army had actually three functions to do. The first was to provide internal security and to resist aggression by any second-class power, to see that it was strong enough to hold aggression by any first-class power till reinforcements from overseas came. The second was to provide reserves for overseas Operations from the Suez to Hong Kong. The third was to provide a standing organisation for recruitment and training of officers and men and a supply and transit base for major overseas operations. The



[Shri Sankar Pratap Singh Deo.]  
British concept in relation to the functions of the Indian Army is now out of date and so it needs rethinking and remodelling to stand up to our country's needs, the needs of an independent India, which does not believe in alignment. So we and our Army have to depend on our own selves.

[THE DEPUTY CHAIRMAN in the Chair.]

For instance, we can still improve the Army without spending a lot. For instance, the present ratio of non-operational manpower per division is a wastage. Each of our divisions consists of 20,000 men. For a division of 20,000 operational men, we maintain a backing up, non-operational strength of about 19,000 to 20,000 men. We find in the case of the Chinese Army—it is an efficient Army, of course—that their division consists of 15,000 operational men with a backing up strength of 5,000, making a total of 20,000. In the case of the Indian Army for 20,000 operational men we have 20,000 non-operational men for backing up. I think this must go. In that case we will have a great surplus to provide eight more mountain divisions. That means instead of 21 divisions we can have 30 divisions. Out of that we can have 20 mountain divisions. I think they will be working as efficiently as other defence forces and I do not think it will have any respect as far as their aggressive power and offensive power against the hostile country is concerned.

Our armoured division is composed of many varieties of vehicles. These armoured cars are very necessary for defence, but we have different types of cars. So, they are not interchangeable. Of course, they would not come up on the mountain roads, but still when China uses 400 vehicles for each division, we have 1,200 vehicles, three times more than what China has. So, I think we have over-provided them. This luxury should be cut down and we should have more divisions.

As regards Air Force, it was quite inadequate even to supply-drop during the Chinese war. Pakistan has a front line Air Force and aircraft superior to us. So, to their regular air violations we are helpless onlookers. We have got seven types of fighters. All are different types and we cannot interchange our men or parts.

It was inspiring to hear from the Prime Minister the other day that the Government was prepared even to prune some of the projects, if necessary, for defence preparations, but if actual facts are looked into, the picture is grim. The Public Accounts Committee Report has very adversely commented on the activities of the Defence Ministry, inasmuch as the Committee says: —

"The Committee regret to observe that the explanation given by the Defence Secretary before the Public Accounts Committee last year (1963-64) that surrenders were due to non-availability of foreign exchange involved in most of the manufacturing projects, does not appear to be consistent with the position now explained to the Committee.

The Committee feel concerned to note that in spite of the allotment of foreign exchange for these important schemes, the Ministry have not been able to utilise the funds to the extent expected, resulting in short fall in planned targets. The Ministry have urged that the surrenders were due to optimistic budgeting. The Committee find from the Ministry's note that the savings on these schemes were due to non-materialisation of supplies of stores or non-implementation of certain schemes. The Government feel that in the light of the experience of the Ministry about the procurement of stores and implementation of various manufacturing schemes, it should be possible to achieve bet-

ter results. The Committee are not happy over the shortfall of expenditure in case of these important schemes which have a direct bearing on the country's defence efforts."

Out of the total savings of Rs. 28-13 crores during 1962-63, a sum of Rs. 27-26 crores was surrendered. So, it is high time that we should have our Defence Services prepared for meeting any attack.

The next thing that I want to say is about the need for populating the places that are near our border areas and which are not populated. That gives a better security than the survey boundary or any other boundary.

With these Words I end my speech. I thank you.

SHRI ; G. RAMACHANDRAN: Madam, I have been noticing that the Finance Minister looks every tired and is looking relaxed in this friendly and empty House. It is a good sign. He has had a surfeit of praise from every section of this House. As someone would start speaking and I kept listening, he began by sometimes cursing, but ended by blessing the Finance Minister. There is the old story of somebody who went to curse and stayed to bless. He has had a surfeit of praise and I do not wish to add to his indigestion. I would only say one sentence and then pass on. No Finance Minister, since this Republic was established, has presented a Budget which has won so much goodwill from almost every section of the people of India. But I have a quarrel with him. It is a one-year old quarrel. I started this quarrel last year. When I then spoke on the Budget, I referred to two major issues, specially as one 4 P.M. interested in education and rural development. I asked someone: "Why is it that this very brilliant Finance Minister is unable to understand what I told him last time about these two matters?" He is keen-minded, generous and open minded to understand new points

of view." The reply one outstanding Member of Parliament gave me was, and I pass it on to him for what it is worth; "He is essentially an urban-minded man. The rural areas are something like a far away scene to him. He does not understand the rural areas." I do not believe that. I do not believe that the Finance Minister does not understand the problems of the rural areas. At the moment there are many things worrying the Finance Minister, he himself said so in the other House, the war clouds, and so on. I am extremely lucky that he is in his seat now. Twice or thrice when I spoke on the floor of this House during this session he was nowhere to be found. So I am grateful that he is listening, and I have a hope that something I wish to say will, carry some conviction to him yet.

Point number one is, about rural industrialisation. The Finance Minister paid me a left-handed Compliment last year when he said: "I am glad that even a person like Shri Ramachandran who belongs to a certain group"—I do not know what group he had in mind; probably he was thinking of those who still take Mahatma Gandhi very seriously—"is asking for rural industrialisation", and then added something which took my breath away. He said: "When rural areas are industrialised, they will no longer be rural areas". That was an astonishing thing for so clever a man as the Finance Minister to have said. What does he mean by rural industrialisation? As I listened to him and as I see now from his Budget, if big industries or some of them are taken into the rural areas, he thinks that that is rural industrialisation. I hope I am wrong, I hope I have not understood him. But rural industrialisation is not establishing a few big factories in the rural areas of India. There is such a thing as the rural areas of India with problems of their own, and these problems can be tackled only by techniques suited to the rural areas. Rural industrialisation will mean cot-

[Shri G. Ramachandran.] tage industries, village industries and small-scale industries, and we want a network of these spread out over the 500,000 villages of India where 80 per cent of the people are still living. /Close to the soil and working on the soil. You must take something right to where they are living. Maybe, you can take into the rural areas a few big industries—God bless you for taking them—but that is not rural industrialisation. I do not know who is handling this major thing of rural industrialisation within the Government departments, and how he is handling this. I want to ask the Finance Minister: "Please do not leave this to somebody. Take it up yourself to the extent that you can and see to it that . adequate funds are provided to such schemes as are really schemes of rural industrialisation,, taking employment to the millions who are under-employed and unemployed." So, I am appealing to the Finance Minister not to put this away lightly but to take this from me and make it his own and to provide funds and to ask for cogent and realistic schemes of rural industrialisation.

Point number two again is something to which I referred last year and I am coming back to it, and I am promising the Finance Minister that I will come back again and again to these two matters as long as he sits there and as long as I am sitting here. Point number two is "Adult Education" in this country. How I wish I could carry conviction to the Finance Minister that in a country where 75 per cent to 80 per cent of the people are still illiterate, all his planning and financing, all the programmes of reconstruction will be slowed down and frustrated on this rock of adult illiteracy. Seventy-five per cent of the people, eighteen years after the independence of India are illiterate in this country! They cannot read, they cannot write. You put forward hundreds of tracts and publications explaining the schemes. They cannot

read what you say. Today Parliament is debating the aggression in Kutch, our relations with Pakistan, Kashmir, the world situation, etc. Eighty per cent of the people do not follow what is being said 'on the floor of the House and they do not care either because nobody tells them what is happening *in* such a way that they can understand. If the Finance Minister imagines, however brilliant he might be, capable he might be and master of finance he might be, that he can carry this nation forward with 75 per cent of the people remaining illiterate after eighteen years of independence of India, if he thinks so, there is something fundamentally wrong with his thinking; and I hope he is not thinking so. I asked this question of the Education Minister some time ago, and, the Education Minister said: "I shall plead with the Finance Minister; if necessary, I shall go down on my knees to him and ask for funds for this great programme 'of adult education in this country". But nothing is happening worth the name. A year or two after independence came there was a great deal of ado made about adult education. The Ministers of Education in various States became very much interested in it. Grandiose schemes were drawn up. They have all faded out. Now illiteracy is as rampant as it was ever before. In fact because of the addition to the population, the number of people who are illiterate today is larger than at any time in the history of this country during the last one hundred years. It is a shameful thing. No Government worth the name must tolerate this nor allow this to continue. I pleaded last time that the Finance Minister should provide adequate funds for nation-wide programmes on adult education. Adult education is not merely literacy work. We have long outlived this idea of adult education. Adult education is citizenship training in the fullest sense of the word today within a peaceful democratic nation. It is not taking

placa. All round the place where I live and work, Gandhigram, in hundreds of villages in the midst of which we are situated, the horror of illiteracy is something which one has to see at first hand to realise what it means. You give them something to read; they cannot read. They cannot understand. Crores of rupees are being spent on propaganda. They are going down the drainpipe because the millions for whom it is intended cannot consume them, cannot understand them. So, I plead once again that the Finance Minister will make this programme on adult education in this country his own programme, because without this, nation-building is impossible.

Then I would only touch upon one thing more within the short time at my disposal. Sheikh Abdullah has been arrested. I have seen today in the newspapers that Acharya Vinobha has expressed his distress that this has happened, and he has used the expression that there has been lack of correct judgment in regard to the matter. My friend, Mr. J. P. Narayan, has said the same thing. Now Sheikh Abdullah came back to India. He was not running away. If he was an enemy of India, if he wanted to remain outside and carry on the kind of nefarious propaganda which is attributed to him, why did he come back to India? He came back straight to India to meet his critics. We arrested him at the airport and we have now taken him to one of the most beautiful hill stations in India. I envy his place of residence, Ootacamund. It is called the queen of hill stations in India and just at this time of the year it is a paradise on earth. So, I am not quarrelling over that. The Government of India has acted with dignity even while they were not acting correctly in regard to this matter. We should have allowed this man to be confronted by our leaders in Delhi. There is a story that he had written to the Prime Minister. We do not know what has happened to that letter. It

is not the first time that a letter from Kashmir to the Prime Minister is lost. We have heard the old story long ago how there was a letter from Sheikh Abdullah to Prime Minister Nehru and he never got it or got it too late. Evidently, whenever there is a very important letter of this kind from some one from Kashmir to the Prime Minister of India, it gets lost! I do not know whether there has been a letter. We should have allowed the Sheikh to be confronted by our leaders. We should have asked him questions, "Here is what you said. Is this true?" I say this because I have also heard from other sources that there is a deliberate attempt to twist what Sheikh Abdullah has said in order that India and he may quarrel. Our enemies will be pleased with nothing better than Sheikh Abdullah and India are quarrelling with each other all the time. Suppose we become friends, then what a tremendous thing it would be? So, it suits nobody, except our enemies that we are quarrelling. We should have asked him all the necessary questions, found out the position, we should have given him a chance to defend himself. You remember, in the olden days sometimes when Mahatma Gandhi asked for an interview, the Viceroy would not give the interview, but would get him locked up. I do not mind Sheikh Abdullah being locked up if he is to be locked up. Why do you take the odium upon yourself of not giving the man a hearing? This is not the only case. In Kerala also, you have unnecessarily taken an odium upon yourself. I have spoken about it twice on the floor of the House and I do not want to repeat it. I am sorry therefore that Sheikh Abdullah was arrested without being given a chance to say what he wanted to say to our leaders. If we were not satisfied, then we had every right to put him in prison. But we have taken this unnecessary odium upon ourselves. My own reading is that this man is not a cheap man. I remember the days when the late Prime Minister of India looked upon

[Shri G. Ramachandran.] this man as his blood brother. There was no one in Kashmir who was a greater hero than this man. He was called the Lion of Kashmir, he is still the Lion of Kashmir. If there is any chance, we must befriend this man. I had talks with him twice and he said to me: "There are three imperative things for a real settlement. India must be satisfied, Kashmir must be satisfied and Pakistan must be satisfied in order that any arrangement finally made is stable". I think this is absolutely correct. But I told him that it would be a miracle if he could produce a scheme which could satisfy all the three. Let us put the onus on him to produce that thing which can satisfy alike Kashmir, India and Pakistan and if he cannot, he stands self-exposed. Instead of that, you pounced upon him, interned him. Now, this will have a bad effect in Kashmir. If anybody thinks that things will settle down in Kashmir now, we are living in a fool's paradise. "All quiet on the Western Front" this is the signal that the Kashmir Government is sending out. It is not true. We have never had continuous goodwill and peace in Kashmir all these years. We must establish that goodwill and peace. And now when there is grave trouble with Pakistan, this is all the more necessary.

Madam, the Prime Minister has appealed that we must rally behind him as one man. But not only in regard to this matter but in regard to half a dozen other matters he has not done what is necessary to get the needed one hundred per cent, unity of mind of the people of India. That is the unity we should give to our valiant Prime Minister. Every day, as I read the Prime Minister's statements, I say to myself—he does not have the external trappings of a big man and a strong man but inside him is unbreakable strength. We should stand by him. But he too should enable the country to organise the fullest support to him.

That is why I am pleading in regard to this particular matter with a little amount of passion for which I ask your forgiveness.

Thank you.

श्री प्यारे लाल कुरील "तालिब" :  
(उत्तर प्रदेश) : मेडम, मैं ज्यादा बक्त नहीं लूंगा । मैं सरकार की तबज्जुह सिर्फ एक अहम सवाल की तरफ दिलाना चाहता हूँ और वह गिरी हुई और पसमांदा जातियों का सवाल है, जिस की तरफ हमारी सरकार को ज्यादा से ज्यादा ध्यान देना चाहिये । पिछले बजट सेशन में कहा गया था कि शैड्यूल्ड कास्ट्स ऐंड शैड्यूल्ड ट्राइब्स कमिशनर की रिपोर्ट पर बहस होगी । लेकिन उस सेशन में उस पर बहस नहीं हुई । उस के बाद कहा गया था कि इस सेशन में उस पर बहस होगी, लेकिन इस में भी नहीं हो रही है । इस तरह से यह मामला चल रहा है, लेकिन अभी मालूम नहीं है कि इस रिपोर्ट पर बहस होगी या नहीं और अगर होगी, तो कब होगी । तो यह बड़ा अहम सवाल है और इसकी तरफ सरकार को ज्यादा ध्यान देना चाहिये ।

शैड्यूल्ड कास्ट्स और शैड्यूल्ड ट्राइब्स को मिला कर के मुल्क में तक्करीबन 10 करोड़ लोग होते हैं । इनकी माली हालत जैसी है वह आप अच्छी तरह से जानते हैं । इन में बहुत से ऐसे हैं जो बेतिहर मजदूर हैं, जिनका कोई जरिया आमदनी नहीं है और जो सिर्फ मजदूरी पर काम करते हैं । इनकी आमदनी जो है, इनकी पर कैपिटा इनकम जो है, वह 10 पैसे के करीब पड़ती है और देश में सबसे गरीब जातियां यही हैं । अगर इस देश के अन्दर मंहगाई की वजह से कोई भुखमरी होती है या खाने पीने की चीजें नहीं मिलती हैं, तो उसका सब से पहले यही लोग शिकार होंगे । इसलिये मैं सरकार का ध्यान इस तरफ दिलाना चाहता हूँ कि जैसे भी हो सके, इनकी इकोनामिक कंडीशन को बेहतर बनाया

जाय। इनकी माली हालत को बेहतर बनाना ज्यादा जरूरी है। बनिस्वत इसके कि आप इनको असेम्बली में लायें या पार्लियामेंट में लायें। सब से बेहतर यही है कि आप इनकी इकोनामिक कंडिशन को बेहतर बनाइये और इन के एजुकेशनल स्टैंडर्ड को और इनकी कल्चरल लेवल को रेज कीजिये। यह बहुत जरूरी है। जब तक एक चौथाई आबादी हिन्दुस्तान की गिरी हुई है, तब तक हमारा देश तरक्की नहीं कर सकता है। तमाम शैड्यूल्ड ट्राइव्स वगैरह को इन में शामिल कर लें तो तक्रीबन क्वार्टर पापुलेशन इनकी बनती है और इनकी तरफ ज्यादा से ज्यादा ध्यान देने की जरूरत है।

इनके लिये सर्विसेज में रिजर्वेशन है। जब मैं सेंट्रल असेम्बली में सन् 1943 में था, तब से इन के लिये रिजर्वेशन है और यह आप अच्छी तरह से जानते हैं कि 18 परसेंट के करीब इनका रिजर्वेशन है। सभी सूबों में भी इनके लिये खास डिपार्टमेंट और कानून पूना पैक्ट के मातहत बनाये गये, लेकिन इन तमाम कोशिशों के बावजूद जो कमिशनर साहब की रिपोर्ट सर्विसेज में इनके रिजर्वेशन के बारे में है, वह मैं आप के सामने रखना चाहता हूं। क्लास 1 में शैड्यूल्ड कास्ट्स का 1.3 परसेंट रिजर्वेशन है। क्लास 2 में शैड्यूल्ड कास्ट्स का 2.3 परसेंट रिजर्वेशन है। शैड्यूल्ड ट्राइव्स का क्लास 1 में 0.1 परसेंट रिजर्वेशन है और क्लास 2 में 0.2 परसेंट रिजर्वेशन है। इसी तरह से आई० ए० एस० में ले लीजिये। टोटल स्ट्रेन्थ आई० ए० एस० की 1817 है जिन में शैड्यूल्ड कास्ट्स के 68 हैं जो कि मेरे खयाल से 1 प्वाइंट कुछ परसेंट बनते हैं और शैड्यूल्ड ट्राइव्स के 23 हैं। इसी तरह से आई० पी० एस० की टोटल स्ट्रेन्थ 1018 है और इन में से 39 आदमी

शैड्यूल्ड कास्ट्स के हैं और 11 आदमी शैड्यूल्ड ट्राइव्स के हैं। आई० ए० एस० कैटेगरी की टोटल स्ट्रेन्थ 216 है, जिन में शैड्यूल्ड कास्ट्स के 7 हैं और शैड्यूल्ड ट्राइव्स के 3 हैं। आई० ए० एस०, कैटेगरी 2, की टोटल स्ट्रेन्थ 270 है जिन में 60 शैड्यूल्ड कास्ट्स के हैं और 6 शैड्यूल्ड ट्राइव्स के हैं। यही हालत बहुत से डिपार्टमेंट्स की है। मेरे पास सारी फिगर्स मौजूद हैं, लेकिन मैं इस वक्त ज्यादा तबज्जुह इस तरफ नहीं दिलाना चाहता हूं। यह सभी को मालूम है कि बहुत से डिपार्टमेंट्स हैं, कामर्स इंडस्ट्री और दूसरी बहुत सी गवर्नमेंट अंडरटेकिंग्स हैं, जहां पर इनका रेप्रिजेंटेशन बिल्कुल निल है। यह तमाम फिगर्स मेरे पास मौजूद हैं, लेकिन इस वक्त मैं इनको आपके सामने वक्त की कमी की वजह से रखना नहीं चाहता। लेकिन मैं यह चाहूंगा कि आप इस तरफ ध्यान दें और यूनियन पब्लिक सर्विस कमिशन में आप शैड्यूल्ड कास्ट्स को लें, स्टेट्स पब्लिक सर्विस कमिशन में आप शैड्यूल्ड कास्ट्स को लें। They have got to be raised to the level of others. इसी तरह से ऐम्बेसेडर्स और डिप्लोमेट्स के लिये काफी तजुव्वेकार लोग आपके पास मौजूद हैं लेकिन a beginning has got to be made. इस के लिये शुरुआत करना जरूरी है और जल्दी से जल्दी शुरुआत कीजिये।

एक बात मैं आप को और बता दूं। कुछ दिन पहले रिपब्लिकन पार्टी की तरफ से एक एजिटेशन हुआ था। इन में बड़ा डिस्सीटिस्फेशन है और शैड्यूल्ड कास्ट्स और शैड्यूल्ड ट्राइव्स के लोग यह नहीं चाहते हैं कि वे किसी के रहम व करम पर रहें। वे यह नहीं चाहते हैं कि उनको आप पोलिटिकल रिजर्वेशन दें। वे यह चाहते

[श्री प्यारे लाल कुरील "तालिब"]  
हैं कि आप यह रिजर्वेशन हटा लें और उनको अपने पैरों पर खड़े होने दें ताकि उनकी दिमागी और जिस्मानी ताकतें बढ़ सकें। आखिर वे कब तक रिजर्वेशन पर डिपेंड करते रहेंगे? तो इस पालिटिकल रिजर्वेशन को हटाइये और इसकी जगह उनकी इकोनामिक कंडिशन, एजुकेशन स्टैंडर्ड्स और कल्चरल स्टैंडर्ड्स को रेज कीजिये। जो पोलिटिकल रिजर्वेशन आप देना चाहते हैं, उसमें एक बात यह चल रही है कि...

यह जो पेपर रिप्रेजेंटेशन है, जो यस मेन आप लाते हैं, यह ठीक नहीं है, जिनको कि शोइयूल्ड कास्ट वाले नहीं चुनते हैं बल्कि तमाम लोग मिल कर चुनते हैं, हर पार्लियामेन्टरी कांस्टीट्यूएन्सी में शोइयूल्ड कास्ट के कहीं 70 हजार हैं या 1 लाख के करीब हैं और सब मिल कर चुनते हैं। वह रिप्रेजेंटेटिव जो आता है वह न कास्ट हिन्दू को रिप्रेजेंट करता है और न शोइयूल्ड कास्ट को रिप्रेजेंट करता है। हमको रिजर्वेशन की कोई जरूरत नहीं है, हम इस रिजर्वेशन को छोड़ देना चाहते हैं। और अगर आप रिजर्वेशन देना ही चाहते हैं तो हमको सेपरेट एलेक्टोरेट दीजिए, हम खुद चुन कर भेजें। यह मांग बढ़ रही है और गवर्नमेंट यह ग्रहसास करे कि कंट्री भर के अन्दर सेपरेट एलेक्टोरेट की मांग जिंदा हो सकती है। यह हम नहीं चाहते, हम नहीं चाहते कि ऐसा हो। लेकिन अगर इस तरह का पोलिटिकल रिप्रेजेंटेशन देंगे तो डिससैटिसफैक्शन फैलेगा। इन जातियों के अन्दर बहुत से ऐसे लोग हैं, वह समझते हैं कि किस तरह से हमको बेवकूफ बनाया जा रहा है और इस तरह के रिजर्वेशन को हम नहीं चाहते हैं। जिस तरह का रिजर्वेशन हमने दिया है वह न दें तो यह उनके लिए ज्यादा अच्छा होगा।

मैं ज्यादा न कहते हुए एक बात जरूर कहूंगा। अलीगढ़ यूनिवर्सिटी में जो झगड़ा हुआ उस तरफ मैं आपकी तबज्जुह दिलाना चाहता हूं। यह एक बैनल अकवाबी, इंटरनेशनल

यूनिवर्सिटी है, इसमें बाहर के लोग आते हैं और जितने नेबरिंग कंट्रीज हैं वहां से भी यहां बहुत से लोग पढ़ने आते हैं। यह जो झगड़ा यहां पर हुआ है उस झगड़े के मुताल्लिक मालूम करने की जरूरत है कि यह झगड़ा क्यों हुआ, किस तरह से हुआ। वैसे तो कहा जाता है कि 50 परसेंट जगह जो टेक्निकल इंस्टीट्यूशंस में अलीगढ़ के स्टूडेंट्स के लिए रिजर्व हुई उससे हुआ। यह चीज 1960 ई० में थी और यूनिवर्सिटी ग्रांट्स कमिशन ने कहा था कि ठीक है 50 परसेंट हो। फिर जब तैयब जी यहां के वाइसचांसलर बने तो उन्होंने बिना किसी की इजाजत के—न यूनिवर्सिटी ग्रांट्स कमिशन की इजाजत ली और न यूनिवर्सिटी की किसी कमेटी से कुछ पूछा और न इसका खयाल करते हुए कि प्रोफेसर वगैरह की क्या राय है—75 परसेंट तय कर दिया वहां के स्टूडेंट्स के लिए। अब वह हो गया और इसी हिसाब से वहां भर्ती होना शुरू हो गई। तब यूनिवर्सिटी ग्रांट्स कमिशन ने आवेजेशन किया कि यह 50 से 75 परसेंट कैसे हो गया और उनसे इसकी इजाजत नहीं ली गई। अब जब अली यावर जंग आए तो उसको 50 परसेंट फिर दुबारा कर दिया। तो यह कहना कि इसके पीछे किसी टीचिंग स्टाफ का हाथ था या किसी प्रोफेसर का हाथ है सो यह नहीं है। हालत कभी इतनी खराब सूरत अस्तियार नहीं करती अगर पहले से कोशिश की जाती। जब झगड़ा हुआ है तो उसके दस दिन पहले से एजिटेशन चल रहा था और उसके लिए प्राक्टर ने, असिस्टेंट प्राक्टर ने, प्रोवोस्ट ने, कुछ नहीं किया और दूसरे लोगों ने इस तरफ तबज्जुह नहीं की। पुलिस को बुलाया गया। यों तो पुलिस को यूनिवर्सिटी कम्पाउंड में आना ही नहीं चाहिए और अगर बुलाया गया तो फिर वापस क्यों किया गया। किसके आर्डर से वह वापस चली गई। गालिबन रजिस्ट्रार के आर्डर से ही जा सकती है, प्रोफेसर या टीचर के कहने से तो वापस नहीं जा सकती है। तब रजिस्ट्रार क्या कर रहे थे जब कि

बाइसचांसलर पर हमला किया गया और उनकी जान को खतरा हो गया था। वह नहीं थे। यह क्या किसी कांस्प्रेसी का नतीजा है, जानबूझ कर ऐसा किया गया। अगर वहां प्रोवाइसचांसलर न होते तो मेरे खयाल में उनकी जान पर आ जाती। तो ये तमाम बातें हैं जिनको देखने की जरूरत है। और यह कोई कम्युनल झगड़ा नहीं है, इस एजिटेशन के पीछे हिन्दू स्टुडेंट्स भी थे, मुस्लिम स्टुडेंट्स भी थे। तो किसी किसम की ऐसी बात नहीं थी कि उसे कम्युनल कहा जाय। यह युनिवर्सिटी बहुत ही वैतुलअकवामी शोहरत की युनिवर्सिटी है और इस युनिवर्सिटी के अन्दर ऐसा कोई एटमासफेयर पैदा नहीं हो जिससे कि हमारे स्टुडेंट्स को नुकसान हो। तो मैं यह चाहता हूँ कि एक हार्डिपावर्ड जुडीशियल कमेटी आप बनाएं। हायर लेविल पर एक जुडीशियल कमेटी इसकी इक्वायरी करे जब तक यह नहीं होगा तब तक इस युनिवर्सिटी की हालत अच्छी नहीं होगी। जो भी जिम्मेवार है, जो भी कसूरवार है, चाहे वह प्रोफेसर हो, टीचर हो, कोई हो, उसके खिलाफ सख्त से सख्त कदम उठाया जाय। यह बहुत जरूरी है। सब बातों का पता लगाना चाहिए कि कौन इस तमाम झगड़े के लिए जिम्मेदार है और यह तभी हो सकता है जब कि हार्डिपावर्ड जुडीशियल इक्वायरी हो। जो मैजिस्ट्रेटियल इक्वायरी हो रही है वह सफिशिएंट नहीं है। या तो कोई हार्डि कोर्ट का रिटायर्ड जज हो या कोई और सुप्रीम कोर्ट का रिटायर्ड जज हो उसके हाथ में यह इक्वायरी सुपुर्द करनी चाहिए।

मैडम, मैं आपका बहुत शुक्रिया अदा करता हूँ कि आपने मुझे अपनी बात कहने के लिए कुछ मिनट दिए।

SHRI G. S. PATHAK (Uttar Pradesh): Madam Deputy Chairman, shall I not be trespassing on the Finance Minister's time because he is to speak at half past four?

THE DEPUTY CHAIRMAN: You may finish your speech.

SHRI G. S. PATHAK: In five minutes?

THE DEPUTY CHAIRMAN: You will get 15 minutes.

SHRI G. S. PATHAK: I will be briefer than you expect me to be.

Madam, I have studied the Finance-Acts during many years past. I have been a practitioner of taxation laws also, and I can say this that this Finance Bill is the most humane piece of legislation that I have come across among the taxation laws. It has given relief to many. It has simplified the procedure; yet it could not simplify to a very great extent because from its very nature taxation laws reflect the complexities of national life and, therefore, become complex themselves. Now I am not indulging in- any language of conventionality when I say that I join the chorus of applause in offering congratulations to the Finance Minister

Now, Madam, since this Bill was framed there have been changes in the conditions in the country. The Bill reflected the conditions which prevailed at the time when it was framed. Today we are on the brink of a war, if I may say so. The future is unpredictable. It may be that we get engaged in a struggle with Pakistan in a struggle with China and there will be, in that case, a new situation which was not contemplated by the Bill when it was framed and it will become necessary for the Finance Minister to divert some resources to-war purposes and to adjust the economy on a war basis. That will tax the Finance Minister's skill and ability to their maximum, and in that sense the Finance Minister may become a highly-taxed person in the-nation.

SHRI M. RUTHNASWAMY (Madras): Highest taxed.

SHRI G. S. PATHAK: Highest taxed in that sense.

Madam, there is considerable scope for economy. Perusal of the various documents which have been published by the Government will show that



[Shri G. S. Pathak.] the Committee on Public Undertakings has given a considerable number of suggestions. It is stated that much avoidable expenditure has been incurred. The Government should pool the experience gained. Some suitable instructions should be given and their implementation should be ensured. There are over 60 public undertakings and it is necessary that the report of the Committee on Public Undertakings should be taken into consideration by the Finance Minister.

There are 13 Government companies under the Ministry of Industry and Supply and we find that overall losses run into several crores of rupees. Heavy Engineering has suffered a loss of Rs. 565 lakhs. The Heavy Electricals has suffered a loss of Rs. 568 lakhs. Madam, I will not give any more figures. But it appears that it is necessary that proper and stringent control should be maintained over public undertakings.

One word about the Life Insurance Corporation. This Corporation also requires stringent control. It is found "that death and maturity claims to the tune of about Rs. 15 crores were outstanding when the report was written and the recommendation is that vigorous and concerted effort should be made to settle outstanding claims. There was no enquiry made as to why this delay took place and the recommendation is that interest should be paid to those whose monies have been kept by the Corporation unpaid. There is this observation made by the Committee.

"The service rendered by the Corporation to its policy-holders is far from satisfactory. The Corporation will have to ensure greatly improved service to the policyholders."

Before my time is out, I must mention my own State, Uttar Pradesh. So far as disbursement of the monies to U.P. is concerned, a study of the treatment to U.P. shows that the disbursement has not been equitable.

U.P. is a border State. It is the largest agricultural State. The population is over seven crores and in the first two Plans, U.P. did not get a single industry in the public sector nor did it get any share in the increased mileage of the national highways. There was not a single institution of technical or professional training. In the Third Plan only four public sector projects were allowed to U.P. The per capita Central assistance has been much lower so far as U.P. is concerned than the average for other States. I might quote three examples. Jammu and Kashmir, Assam and Orissa, even they received a larger share of Central assistance. I appeal to the Government to rectify the past default to give weightage to this State. This State needs fertilisers, pesticides, machines, buildings and engineering. I do hope that the Finance Minister will see to it that this State gets a fair and equitable share and it should receive such assistance as may enable it to march in line with the other States.

There are many other things which I wanted to say but the time allotted to me, I believe, has run out, unless I can take a few minutes more.

THE DEPUTY CHAIRMAN: You may.

SHRI G. S. PATHAK: In this House I heard a speech which gave me the impression that the idea of family planning has not been properly appreciated in this country. There has been provision made in the Finance Bill for deduction in respect of monies spent on family planning of the employees of companies. This is a very vital issue. One crore of children are born every year. You require therefore more food, more educational facilities, larger transport facilities and in every respect when you cannot have an increase in the food production which may be commensurate with the increase in the population, the result can be disastrous. Therefore the Government has acted very properly in taking into consideration the

need for family planning and making provision in that respect in the Finance Bill.

The tax-evasion disclosure scheme has failed. On earlier occasions when such a scheme was launched, such schemes met with some success but now people have become hardened. The tax-evaders have become more experienced and therefore it is the duty of the Government now to make laws more stringent so far as tax-evasion is concerned, to implement the existing laws and to see that this anti-social activity is checked and the nation does not suffer from such activities. Thank you.

THE MINISTER OF FINANCE (SHRI T. T. KISHNAMACHARI): Madam Deputy Chairman, this is one of the rare occasions over a period of years when I have been a Minister, I have been reasonably lightly let off and I think I might congratulate myself and also the House. Of the 22 speakers who spoke on this measure, by and large, most of them have welcomed the Bill and its provisions. In fact the criticism of the Bill by itself has been very little excepting perhaps in some cases some people felt that the provisions did not go far enough and some people felt that it went too far.

Now at this fag end of the Session, fag end of my labours in respect of the Budget, I think it is certainly a matter of great gratification to me that this Budget has received the approval of most of the hon. Members of this House which can rightly claim to express sober and considered opinion of the people of the country.

I will take the last speaker first. He referred very rightly to our public sector enterprises. Other hon. Members have already referred to this question of housing and townships in public sector enterprises. In fact one of the things that perhaps needs immediate attention is to cut down the rate of expenditure on housing which is roughly about 30 per cent, of the

219 RS—7.

cost of public sector enterprises. I do not mind admitting that the efforts that have been made all along these years in this respect have not paid dividends. In fact I remember in 1955 when I went to Rourkela, I found that they had a programme to build 13 different types, apparently 13 in reverse being considered lucky. We tried to reduce it to four. Subsequently we have had various committees examining this matter, particularly a Committee appointed by the Planning Commission in regard to Plan projects and the last I think was in 1959. I may tell the hon. Member that recently I had taken this task on myself and have asked one of the senior Secretaries of the Finance Ministry, who is not directly responsible for expenditure, to go into this question of reduction of costs, untownships along with the Chief of the Bureau of Public Enterprises who has been recently appointed. I do hope to be able to achieve some result and also hope that I will be able to give this House some account of what has been done by this time next year.

On the general question of the management of public sector enterprises, while I welcome any criticism I would also like people to remember one fact that industrial enterprises, if they are in the private sector, are never scrutinised. The so-called scrutiny by shareholders is next to nothing. In fact, we hardly know of those enterprises which have gone under, and the shareholders who have lost money, they never even raised a whisper. But, rightly, the moneys of people which are spent on public enterprises had to be spent better. In fact, one of the things that worries me is the very high rate of inventories, though in the case of enterprises which are of a specialised nature the rate of inventories is certainly higher than that of the consumer goods industry.

I am also aware that the country loses a lot of money by the delay in execution, and if a steel plant, which

[Shri T. T. Krishnamachari.] should go into production in four to five years, takes seven, on that plant, we probably have lost a hundred crores of rupees by way of production, and that hundred crores of rupees has also been a loss in foreign exchange. I think it has happened. Even so, I might say that the three steel plants, which we started in the public sector, have today, after its period of gestation—which has been too long—started working efficiently and producing not only 100 per cent but 103 per cent, and I think, because of the fact that we have learnt by mistakes in the past, the second and third expansion of these three steel plants will go forward more smoothly. Well, in the case of the Bhopal Heavy Electricals, in the case of the Heavy Engineering Plant, and in the case of the Coal Mining Machinery Plant in Durgapur, all of them do need scrutiny. In a visit I paid to the Coal Mining Machinery Plant in Durgapur, I found that even if it had to supply coal mining machinery for the entire Eastern Hemisphere, it probably would not have to work more than one shift. What we have now to do is to see how we can make better use of that equipment which we have, for other purposes as well. It is a question of constantly scrutinising things and finding out how best we can use the equipment which we have, and therefore I welcome the criticism of the Parliamentary Committee sitting on this matter though, oftentimes, we may not be able to agree with the exact nature of their findings, and this organisation that has now been set up, the Bureau of Public Enterprises, will, I hope, help to quicken the production stage of these plants, and also look into economies.

My hon. friend, Mr. Ramachandran dealt with many problems. I shall only deal with some of them. Those which are of a political nature, I think I should better leave them to other people to deal with. Those others, which he referred to, which fall under the economic category, I will deal

with briefly, first of all, with one problem, which is not strictly economic but which has its economic bearing, namely adult education.

I think, Madam, it is something which has not escaped the attention of the Planning Commission. In fact, in the Memorandum of the Planning Commission, on page 65, this matter has been referred to. Only the disappointment of my hon. friend might be greater when we mention now, at this stage of development of the nation, and in the context of the Fourth Plan, that—well—we are still thinking in terms of pilot projects. But one has to do a pilot project well in various areas before he can embark on anything bigger. Assuredly, my hon. friend will concede that while adult education in a country where illiteracy is rampant is important, the education of the children is far more important. Well, the older generation can die away, but the younger generation should be built up.

SHRI G. RAMACHANDRAN: Not so easily.

SHRI T. T. KRISHNAMACHARI: Well, it is a matter of judgment. Being an old man—and I think he is an old man like myself—I think he will agree that the emphasis should be on removal of illiteracy amongst the younger people, make them literate.

SHRI G. RAMACHANDRAN: May I interrupt you for one moment, Sir? Education of the adult is education of the functioning citizen of today. If you neglect that, you neglect something very vital. Education of the child is education of the citizen of tomorrow. If you do not take care of today, tomorrow will be lost.

SHRI T. T. KRISHNAMACHARI: Well, as I said, it is a matter of judgment. Sometimes tomorrow may have to be taken care of more than today. If I am hungry today, it does not matter, but I do not want to keep the generation of tomorrow hungry, and I the whole idea of plan, the concept of

a plan, the first, second third, fourth and fifth Plan, is that posterity should be better than we have been. In fact, Madam, as my late lamented chief had mentioned, in a sense it is true that our generation is condemned to hard labour, and I think, let the next generation be free from it. Now I do not say that the subject that he has mentioned is unimportant because, if children have to be educated, if they have to be brought under a proper environment. I think the parents have also to be educated. I do not at all say that it is something which should not be done, but I think, when we have to find as against 2.8 lakhs of teachers—people trained every year—when we have to train 8 lakhs of them, we have necessarily to, sort of, adjust our focus to the relative needs of education generally of the younger generation and adult education. I concede that something more should be done in that regard. \*

One other matter he mentioned is about rural industrialisation. Now I do not think I meant—when we diseased this last year—When I spoke, that I should put up two or three or four or five public sector projects in a certain area and thereby make that rural area urban. I did not mean it exactly though that would happen. If you put up a very big industry, and ancillary industries grow, the area would be urbanised, and in some way people round about would get employment. There is no denying that; there is no denying that a very big industrial complex, if properly organised, would provide employment to people within a radius of about twenty miles. But what I am really thinking of, when I speak of rural industries, is the processing industries, those types of activity which provide a substantial return to the people engaged therein and also where there is a market. I do not necessarily mean that one should only make palm sugar or palm jaggery or palm gur. It is good enough if somebody could grow car-rots and go and sell it at a profit in the nearby town, if he can have a poultry farm and sell the eggs in a

nearby town, if he can have a dairy farming industry and make money out of it, by selling milk and milk products to people round about and, in fact, my own idea is, and I think the Planning Commission agrees that, in future, the processing industries should be in the co-operative sector which could be set up in the rural areas, and I hope, though we do not exactly coincide in our views, we get nearer now.

SHRI G. RAMACHANDRAN: Thank you.

SHRI T. T. KRISHNAMACHARI. I do not want to deal with, in fact I do not mind saying that if you are going to maintain an uneconomic industry, an uneconomic industrial activity, you can only do for a time; there is no question of perpetuation of an uneconomic industrial activity, because a man who earns one rupee a day wants two rupees; and from two rupees he wants seven rupees and ten rupees; I mean, you cannot ask a man, you cannot tell a man, "You are condemned for life to one rupee, and one only." So even the rural industry must be capable of developing, of paying more, of having a market and a steady market and it should not be uneconomic. You may have to bring in machinery into it. You have to bring in higher productivity into it. It may not be really machinery, for it may be a pump, it may be fertilizer, it may be a tractor or it may be a power tiller. So various other factors come in. Sir, I do not think the points of difference are quite so wide. We can make them meet. That is our idea. Our idea is as far as possible in the Fourth Plan we should encourage the processing industries in the co-operative sector so that you do not take it away from the area where the goods are produced. We have it where the goods are produced and have to be processed and the consuming areas are as far as possible nearby. Of course, you can make it a dogma in which case it has in itself in-built germs of failure.

Well, my friend Shri Babubhai Chinai welcomed the Finance Bill and

[Shri T. T. Krishnamachari.] that certainly is gratifying because I am being told oftentimes that this Bill does not satisfy anybody. Well, in one sense it is right. After all if people get satisfied we will not have a nation that grows. In fact, if people are thoroughly satisfied with a Finance Minister then either he is a fraud or 'P has given something which he should not have given, he has, sort of, cloaked realities or has given what should not have been given. I am thoroughly discontented. If you say that I am satisfied with the Third Plan, I say I am not. If you say that I am satisfied with what we envisage for the Fourth Plan, I am not. I would like to have a bigger Plan. What really happens is the resources available in men and material are not in abundance and therefore, we have to keep our ambitions lower. I would like ours to be a modern country, a country where we can produce everything like any other country in the world. But it takes time. Therefore, I say contentment is a very dangerous thing and so I am not disappointed if Shri Babubhui CMnai does not feel quite happy about my Budget. In fact, basically I cannot give satisfaction to vested interests except in a very limited degree. I can only give them satisfaction in the sense or where there is room for manoeuvre. May be what that manoeuvre is I need not define.

AN. HON. MEMBER: That is more than enough.

SHRI T. T. KRISHNAMACHARI: I will come to the hon. Member a little later, though he has not spoken on this Bill. Some room for manoeuvre may be there. Otherwise this is the basic idea which we have and that is that there should be very much larger distribution of the fruits of our labours, that people should start having more. Not only should people have a livelihood and a decent livelihood, but they should have something more and something which will make them feel that life is worth while, something which will give them

leisure in which they can pursue certain pursuits which only the wealthy can do. I think we have got to go a long way to get at that stage. But fundamentally that is what we have in mind. You may call it by whatever name you like. Ultimately there should be a larger degree of equality. But equality never stays put. Equality is something which cannot be created and made to stay, it will not remain for all time. Distortions occur. As the well-to-do people today profit now, more intelligent men, cleverer men may profit later on. Such a man may probably earn more. Some hon. Members here said that the gift tax is bad, the wealth tax is bad, that the expenditure tax is bad, that they do not produce any return. I do not think the expenditure tax is being administered as it ought to be. In fact, one of the things that I have been doing my officers is to devote some more attention to it, because every person who earns a couple of thousand rupees a month is on the margin of the expenditure tax. Either he has money to spend or he dips into his little saving and spends the money. So he must come in within the ambit of the expenditure tax. It may be all right for a man to dip into his savings and spend, but if he is going to spend it more liberally then he has to pay some tax. I fancy that if the expenditure tax is administered strictly, we will get more. But on the other hand ultimately people become careful about expenditure and that is the purpose of this expenditure tax. We do not want them to spend. But this state of things has not come to pass. I cannot have an estate duty without a gift tax. If we do not have a very steep gift tax, then the estate duty is meaningless and you can take it away. The wealth tax is ultimately regressive and the idea is that if you do not make that wealth to produce, then that wealth will have to come down. Basically the thing is, as I think my hon. friend—he is not here now—Mr. Sapru mentioned, the man who labours is entitled to what he has. But you cannot pass it on to somebody else, except give what you

may call a maintenance. A man can leave a maintenance for his wife or for his minor children. That is all right. That is where the philosophy of our taxation system comes in. People have spoken here and in the other House about unearned incomes and the surcharge. I have not put in any surcharge up to Rs. 15,000. Somebody is left a patrimony or is living on rents or has income from shares and if it is up to Rs. 15,000 he does not pay any surcharge. Above that he does. So you cannot say that merely because of investment in institutions which have a governmental management, I have taken away the unearned income surcharge, I should even make it wider or abolish it altogether. You might say that this is not wealth. I would even plead guilty, but I cannot say that the system of tax that we have devised in this country is not the correct one, is not a balanced one. It is balanced and my hon. friend, Mr. Mukut Behari Bhargava . . .

PROF. M. B. LAL (Uttar Pradesh): I am not Bhargava.

SHRI T. T. KRISHNAMACHARI: I am very sorry.

AN HON. MEMBER: He is Prof. M B. Lal.

SHRI T. T. KRISHNAMACHARI: I am very sorry. I remembered another hon. friend of the same name who used to be equally emphatic in his views. Prof. Lal mentioned and asked about raising the limit to Rs. 5,000. May I mention this to him? If a man's income is Rs. 5,000 and he has a wife and two children, he pays a tax of Rs. 250 out of which there is a deduction of Rs. 215 and Rs. 35 is left. If he makes contributions to his provident fund" and if he has an insurance policy, well that Rs. 35 will be very nearly wiped out. So on Rs. 5,000 well night with the present system of allowances, he would pay no tax. He may pay Rs. 5 or Rs. 7 and that I do not think the hon. Member is going to say would crush anybody. On an income of

Rs. 400 a month he pays a tax of Rs. 2 a month and that is not going to kill him; and we have today in the present structure made it possible for a person earning Rs. 500 to pay very little tax. Supposing a man's income is Rs. 6,000 and he contributes to his provident fund and has also insurance premium, in all for about Rs. 800 or Rs. 900. On that 60 per cent will not bear any tax. He can make straight-way deduction of Rs. 500. So Rs. 500 goes from Rs. 6,000 and that leaves Rs. 5,500. Rs. 4,300 is the free limit and all the tax that he will be paying will be on Rs. 700 at 5 per cent and on Rs. 500 at 10 per cent; not a very large amount. So we are proceeding,\* in the direction which my hon. friend has in mind and it is my ambition, if I am able to present a Budget which I hope I would again, that I should not interfere with the tax structure and that I should provide something to help people to build houses. We have in mind, and I have started investigations to start a house mortgaging corporation. I hope I shall be able to bring in a Bill before this House before long in which we will be able to give mortgages—30 years mortgages—up to 96 or 97 per cent of the value. So that, a man 5 P.M. who is thirty can take out a mortgage and then at the end when he retires he will have a house which would be free from mortgage and he will pay from out of his income. My intention is that, for the middle and the lower middle-class man, whatever he pays to meet the mortgage, should also be free from income-tax. Similarly, I was speaking the other day in the other House about the pension fund, so that the person who is not in a pension scheme might be able to contribute to a pension fund. That also should come within the scheme of some kind of tax concession. So much so, we are thinking of fringe benefits for the lower sections, slightly in favour of them, without altering the tax structure. I hope I will be able to convince, before Prof. Mukut Behari Lal

[Shri T. T. Krishnamachari.] and I part company, that We are still proceeding on the right lines even though we have not reached the goal.

Then. Mr. Oberoi, who is not here . . .

SHRI M. S. OBEROI: I am here.

SHRI T. T. KRISHNAMACHARI: He is here. I am sorry. My eyesight is perhaps bad. He wanted certain tax concessions for tourism and hotels. Well, the trouble about it is this. I hope he makes a profit in his hotels. Of course, I know one hotel which he has not yet built, which he is going to build some time in 1963. I am afraid, that this is a matter which has to be considered. After all the economy can give a benefit to an industry only in relation to the service that that industry does to the economy, and I think the hotel industry has yet to prove that it is providing substantial benefits to the economy. I will not say anything more about it.

Well, one matter was mentioned by a number of friends—Mr. Tankha, Mr. Pathak and the Professor—about the State of U.P. I think it is wrong for anybody to think that U.P. has been neglected by the Centre, maybe some part of the neglect is endemic. I recognise that U.P. is a big State. I am happy to say that had been there recently and I spent much time there.

SHRI G. RAMACHANDRAN: Has there been any complaint received by you from the U.P. Government on this matter?

SHRI T. T. KRISHNAMACHARI: May hon. friend, Mr. Ramachandran, knows that it is only the child that cries that gets milk and all States complain. They all complain.

PROF. M. B. LAL: I only quoted from U.P. Government reports.

SHRI T. T. KRISHNAMACHARI: Yes. They all complain. Some hon. friend who has nothing whatever to do with Andhra was speaking about a bridge in Andhra. I do not know why, but, of course, a Member of the Rajya Sabha has the whole of India as his constituency.

SHRI G. RAMACHANDRAN: He was proving that he is a citizen of the Republic of India.

SHRI T. T. KRISHNAMACHARI: Anyway I can say this. I do not know if hon. Members know that in contrast to the financial position of most of the States, U.P. Government is one of the Governments which has a very large holding of government securities and treasury bills. The only other Government is Maharashtra. I told them: Why do you not spend that money, because it will help me. I have to cash these government securities. I think this money could be usefully invested in power and various other things. I am happy to say that the movement that has been taking place in U.P. during last year is significant and hopeful. In fact, in U.P. about 92,000 wells have been dug last year and I myself saw that the benefits of those wells are something quite heartening. A well means a Persian wheel or a pump and that means at least one acre of the two acres that they have or three acres as the case may be, producing a little more than what the other lands may be producing, even up to Rs. 700 or Rs. 800 a year. So, that is the way we have to go ultimately. The thing to do in U.P. is to tap the underground water, whether it be tubewells or ordinary wells. Put in power plants, encourage agriculture, find a market for it . . .

SHRI G. MURAHARI (Uttar Pradesh) :  
And no industry.

SHRI T. T. KRISHNAMACHARI: No, na. I do not say no industry. I think basically that is the thing that will provide wealth. Industry would. We are trying to put up a very big industrial complex in Allahabad. We are also thinking of one in Bareilly. There is one just growing near Hardwar. There are also industries ground in Varanasi. Maybe others will come up and they will mean perhaps ultimately, as I said, 600 or 700 industrial units. But the basic problem would be the question of agricultural improvement.

PROF. M. B. LAL: The basic problem is electric power.

SHRI T. T. KRISHNAMACHARI: Exactly. I will come to it later. Agricultural improvement cannot take place without power and there is no point . . .

SHRI G. MURAHARI: The trouble is that U.P. had Prime Ministers and no development.

SHRI T. T. KRISHNAMACHARI: I have to say one word about him a little later, but my hon. friend simplifies a problem. Problems in India are not capable of being simplified like that. It may be the Prime Minister, the Finance Minister, the Home Minister or somebody else, but these are not the people who really matter. What really matter are the circumstances in which that particular State operates. For instance, somebody tells me about the Pancheswar dam. The Pancheswar dam is a very spectacular thing. You may produce eight hundred thousand kilowatts, but when will it produce it? For one thing, there is the political aspect. Secondly, there is the security aspect. The third thing is that it will come in the Sixth Plan. That is why both the U.P. Government and I have agreed that the way in which we should develop it is by having bigger and massive thermal power plants, maybe five hundred thousand kilowatts in one place and five hundred thousand kilowatts in another place, saving what we can from the Rihand complex. Even round about the villages of Lucknow, the people there tell me: Look, you have power in Lucknow, but you do not give it to us. They want it and I think they should be given. Of course, when you speak of agriculture, you want power. Therefore, you want fertilisers. You cannot forget industry. And when you speak of industry you cannot say mere industry, without bringing in steel, cement and so on. So, that is the basic thing that we are attempting in the Fourth Plan, of an integrated structure, beginning with agriculture at one end and end-

ing up perhaps with steel and alloy and special steels at the other end, but all of them have to develop *pari passu*. If you want to develop agriculture, you want power. If you want thermal power, you want cement. Then you want steel for it, and so on. Also, in the districts of Muzzafarnagar, Meerut, Bulandshahr and Aligarh and to some extent in Muttra and Agra the problem is one of waterlogging and the problem is even more . . .

PROF. M. B. LAL: I am glad that you accept it. The Irrigation Minister refuses even to accept it.

SHRI T. T. KRISHNAMACHARI: As a matter of fact I am accepting that problem. I think it is something which is alive and real. I know that the problem is more insistent in those districts which have the Jumna and the Ganga on each side. Perhaps we might postpone for about a year or by a few months the problem in Muttra and in Agra, but in these four districts the problems have to be taken up. I am very happy to learn from a colleague of mine, who comes from Meerut, that some activity has started in the last few weeks. I have told them: Do not worry about money. If money is the consideration, well, I am prepared to give it for the removal of waterlogging. Again, we are trying to do the canal, the Gandak canal, which passes through certain district of U.P. and which would ultimately be for the benefit of Bihar. It is a very big problem and nobody would be able to make up his mind whether we have to line the canal or we do not line it. I found that if we did not line the canal, we would have waterlogging there. We have agreed to line the canal. Also, there is the question of backward districts. We have started with four and I am prepared to admit an escalation. Maybe, it will have to be a little more. Take the lateral roads in U.P. We have extended the area of the road. Originally it was from Bareilly right up to the U.P. border in the East. Now,



LSHri T. T. Krishnamachari.] we have agreed to take it from Pilib-hit to Dehra Dun, but the lateral road should mean the development of that area. So I am just mentioning this not to claim any credit, not even to say that you can forget all about it and everything is being done, but just to indicate that something is being done and it has promise of success in the future. In fact one hon. friend in the other House asked me and I said there were sixteen children He said: "How will you treat U.P.? As one child?" I said: "I do not mind treating it as a twin". The papers put it as a prince. I have no use of princes. I merely said that U.P. had 17 million odd of population and it could be treated as a twin and given additional attention. I must say, Madam, that if you would permit my being somewhat optimistic, I think the direction in which the U.P. Government is moving, if they move in that direction all through . . .

PROF. M. B. LAL: U.P. is going backward and backward every day. The *per capita* income is relatively going down. Is it a lie?

SHRI T. T. KRISHNAMACHARI: I am going to speak about lies a little later. But my hon. friend and I probably studied at the same time. Perhaps he started a little earlier than myself. In the early days we had a Governor in Madras, I think it was very early in 1914, and he said: "There used to be a white lie and a black lie; the 20th century has brought in the statistical lie". Statistics can do a lot of harm. I see that the assessment of the per capita income, the gross national product and our development is all wrong, for the reason that the development has taken place in pockets perhaps in larger areas in a measure which nobody here is able to find them.

Somebody said, I think Mr. Ramachandran said it, that some friend of his said that the Finance Minister did not know anything about rural areas.

SHRI G. RAMACHANDRAN: I did not.

SHRI T. T. KRISHNAMACHARI: I am glad he did not. I can tell him that it is completely wrong because I learned my economics in rural areas. We had a professor in Madras, the first time a European professor, who said: "Go and learn your economics in a village; do not learn it in text-books". We learned it in the villages. We did not have many text-books then either. We learned it in villages. I have had my touch with the villages all the time. I make a living in a rural area, I do not know life in an urban area—though it is getting urban, much to my discontent. I think I will have to find another place to go.

SHRI G. RAMACHANDRAN: You can come to Gandhigram.

SHRI T. T. KRISHNAMACHARI: Maybe that is a little too much of a rural area for me.

SHRI G. RAMACHANDRAN: You do not know about it.

SHRI T. T. KRISHNAMACHARI: The trouble about Gandhigram or any of these Grams is ...

SHRI G. RAMACHANDRAN: Even the Prime Minister was very happy and he did not find it too much one way or the other.

SHRI T. T. KRISHNAMACHARI: I have a mind of my own. I do not take everything from the late Prime Minister.

SHRI G. RAMACHANDRAN: You cannot have a mind on a matter on which you have no knowledge.

SHRI T. T. KRISHNAMACHARI: That is where the trouble comes. My hon. friend wants me to believe in dogmas, and I do not. One thing that I have not done—and my hon. friend will forgive me for saying this—ever

since I was twelve is to believe in dogmas, and I shall not believe in dogmas till the end of my time which I hope will not be very far away.

SHRI G. RAMACHANDRAN: That is common ground between both of us. *i.e.* no dogma.

SHRI T. T. KRISHNAMACHARI: Anyway, Madam, I am coming to the end. My hon. friend. Mr. Abdul Ghani<sup>1</sup>, is not here. He is a very good friend. He is an enthusiast. He sees defects and he sees them rightly. But then I see defects all round, everywhere. Some defects can be remedied immediately. Some take time. You cannot say that so and so is a dishonest man and therefore he must be punished. Law does not permit me to do that. It wants proofs.

Then Mr. Murahari—is it Murahari or Murali; all look the same; anyway I have heard Narahari and Murari; one of the poets used to say—he said that every time I went abroad I came back with some agencies for my sons. If I am so powerful as all that, I need not go abroad for that. I do not think I need spend Government money for procuring agencies for my sons. The whole problem is this, the family relationship. Of course his leader says that the properties of the sons of Ministers should be confiscated. He does not understand that there is a Constitution. Every individual has got some rights of his own. I think this is completely wrong. I think he should forget his leader for the time being and he should not listen to what people say. Is there any proof that I went abroad and come back with an agency? Can he prove it? If not, why does he say that?

SHRI G. MURAHARI: In good time.

SHRI T. T. KRISHNAMACHARI: | No. You might say "in good time", j I am not afraid of this kind of thing. ( I know what is happening in this | place. Peoole go round and some ; people bring this in for some purpose ;

or other, for their own purposes, and people think they can frighten people because of these vague charges which cannot be proved. Can anybody prove that I went abroad and brought an agency for anybody, not to speak of my sons? No. I went abroad perhaps to get some equipment for this country, to get some credit. I went abroad in 1957. I wanted American aid for this country, 225 million dollars. I went abroad in 1963 and I brought equipment for "yotrtto fight the Chinese. I went abroad to Australia and brought friendship for you. I went to Canada and I brought equipment again and friends for you.

SHRI G. MURAHARI: Also brought sole distributing agency.

SHRI T. T. KRISHNAMACHARI: I can tell my hon. friend—be he the person or his leader the person—that the Finance Minister of India has a very clean record so far as his work as a Minister is concerned, and I am not going to be frightened by this kind of tactics by the Opposition. By all means condemn the Government; say that what I am doing is wrong, that my policies are wrong. My hon. friend, Prof. Lal, does not believe me. t is the duty of the Opposition, but it is not the duty of the Opposition to say something which is untrue, something which Johnson has called a terminological inexactitude, and think that people will believe it. And you say "in good time". My good friend, you will have to wait until Doomsday to prove anything that you say.

I am sorry, Madam, I never liked to refer to these personal matters. I see there is an overflow from the other House here, and I wanted to mention the matter. It is all right to condemn the Finance Minister perhaps for lack of competence; by all means an hon. Member is entitled to do it. But I do not think any hon. Member can charge him of something which he has done as criminal or something like that. By all means prove that.

SHRI G. MURAHARI: Do you deny that T. T. Krishnamachari and Sons do have the sole distribution rights for the best products in this country?

SHRI T. T. KRISHNAMACHARI: Long before Mr. Murahari was born Mr. T. T. Krishnamachari was supposed to be the biggest businessman in South India. From 1922 he was in business. In 1927 he was supposed to be as big as any European businessman in India. Unfortunately the sons are not doing half as well as the father did. Only the trouble was the father was a fool and spent his money. Whether the sons would do it or not I do not know. Anyway to say that they have it—they have what the father built. The father's name was there. What the father built they have. To say that T. T. Krishnamachari and Company had got something—probably they did get, but the father did nothing about it excepting to give them his name, to give them his business.

SHRI G. MURAHARI: He gave his name. That is more than enough.

*(Interruption).*

SHRI T. T. KRISHNAMACHARI: You cannot say . . .

SHRI G. MURAHARI: A clever Finance Minister gives his name. That is more than enough.

SHRI K. K. SHAH (Maharashtra): Can anybody go on making allegations against the Finance Minister . . .

SHRI T. T. KRISHNAMACHARI: It does not matter. The point about this is this. I have not spoken to my sons. I have heard some of my old friends telling me that they have gone and told my sons: "Well, will your father do this?" I think that is a thing which is a check on them, because I have a reputation in South India which neither he nor his party nor his leader nor his followers will ever get. Anyway it is neither here nor there. I am sorry, Madam, but

they have referred to me and the hon. Member has made a charge which is completely untrue.

Madam, I am sorry to have brought this note at the end of what might have been a very pleasant discussion. I am most grateful to the hon. Members for the support they have given to the measure, and it shall be my endeavour to see, if I present the Budget again, which I hope I shall, to see that the process of simplification goes on, the process of giving fringe benefits for the comparatively weaker sections of the community goes on, and that we have a Fourth Plan about the scope and nature of which we can justifiably feel satisfied and as a result of which we will be proud when it comes to an end. Thank you.

THE DEPUTY CHAIRMAN: The question is:

"That the Bill to give effect to the financial proposals of the Central Government for the financial year 1965-66, as passed by the Lok Sabha, be taken into consideration."

*The motion was adopted.*

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

*Clauses 2 to 83 and the First Schedule, the Second Schedule and the Third Schedule were added to the Bill.*

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

SHRI T. T. KRISHNAMACHARI: Madam, I move:

"That the Bill be returned."

*The question was put and the motion was adopted.*

THE DEPUTY CHAIRMAN: There is a message.