

guided by the observations of the Speaker of the other House in this particular matter. As has been pointed out by Mr. Sapru, the law does not prohibit the discussion of the Financial Statement in this House before it is discussed in the other House . . .

MR. CHAIRMAN: Mr. Mukut Behari Lai, I have understood the point.

PROF. M. B. LAL: . . . and the custom supports that particular stand of ours and I therefore feel that as the Chairman you should see that the rights of this House are not encroached upon.

MR. CHAIRMAN: Thank you. I would now request Mr. Chagla to reply.

SHRI M. C. CHAGLA: I just want to say a word. The Constitution has clearly demarcated the powers of the Lok Sabha and the Rajya Sabha with regard to financial matters. We know all that. But all that I would appeal to this House is that we should try and avoid any friction or conflict with the other House, and I have no doubt that the privileges and the rights of this House are safe in the hands of our Chairman, and our appeal to him should be either to approach the Speaker or to convene a conference or to bring about, as was observed, some sort of a liaison between the two Houses, so that this question should not arise. The constitutional position is quite clear. We have every right to discuss the Financial Statement as the Lok Sabha has under the Constitution and there is no doubt whatsoever but, as I said, this is a parliamentary system. The two Houses constitute the Parliament and we should try as far as possible to avoid any conflict or friction. We know our rights; we know our limitations but, as I said, our rights and privileges are safe in the hands of our Chairman.

MR. CHAIRMAN: I am very happy at the unanimity of opinion on the powers of this House, and as Chairman I will do everything to see that the right thing is done.

NOMINATION TO THE INDIAN COUNCIL FOR CULTURAL RELATIONS

MR. CHAIRMAN: I have to inform Members that I have nominated Shri A. D. Mani to be a member of the general assembly of the Indian Council for Cultural Relations.

THE BUDGET (GENERAL), 1965-66— *continued*

MR. CHAIRMAN: Shri Nausher Ali. You can speak sitting if you like.

[THE DEPUTY CHAIRMAN in the Chair]

SHRI SYED NAUSHER ALI (West Bengal): Madam Deputy Chairman, I wanted to speak on the President's Address but no time was available for me. Today I am thankful to you for giving me a little time to speak. I do not know what time will be allotted to me. Because I have got to speak too slowly and also because I seldom speak, I hope you will allow me a little more time than the usual you allow others on an occasion like this.

Now, Madam, after about seventeen years of rule in the name of the Congress the country has been brought to the verge of ruin. India today is beset with difficulties and baffling problems. To mention only some of the problems I will begin by saying that, first of all, we have got defence, then integration, then food and rising prices, then education, then corruption, adulteration, unemployment, and what not. We find daily demonstrations and strikes going on, and firings also. I am sorry, I forgot to mention one fact, namely the problem of language.

Now, Madam, it is not possible for me, within the short time allotted to me, even to speak on one aspect of any one of these problems. I have therefore decided to confine myself to making a few remarks on what is known as the defence problem. Now what is this defence problem? We find mass arrests of the Left Communists as a step, it is said, towards the defence of the country. I fail to understand how this could arise out of the defence problem.

[Sferi Syed Nansher Ali.] Now I have gone carefully through the statement of Mr. Nanda. I have also gone through the Press statement of Mr. Jyoti Basil dated the 22nd of February last. It appears to me that the statement by the hon. the Home Minister is nothing out a tissue of untruths and fabrications. Now, even assuming the statement as it is, supplemented by his subsequent statement in the other House that the Left Communists used to get money from the Dank of China and also from some other embassies, it does not warrant any arrest whatsoever, far less the arrests of the Left Communists. They are said to be anti-national, guilty of anti-national conduct. I am afraid I cannot speak with emotion; all the same I must say, even assuming that they held an adverse opinion, the opinion, by itself, is not an offence—it was simply holding a different opinion. If it were an offence, then there would have been only one party in this House. So to hold an opinion is not an offence. It is the overt act, the actual anti-national activity, which is called an offence. Now I do not understand how an anti-national activity can be secret. If there had been any anti-national activity, it is either secretly done, or overtly done. Now if it is overtly done, then it is overt; it is known to everybody, and there can be no question of any secrecy about it. If it is secretly done, it is the duty of the Government to expose the people who are indulging in anti-national activities. But you cannot find a single iota of evidence throughout this statement which exposes these people of any anti-national activities. I, therefore, fail to understand how on a document like this, there can be mass arrests or hardly any arrest whatsoever. There have been demands, even from the Congress side. May they be put on their trial. If they are guilty of anti-national activities, they might be put on trial. I do not go so far. I only say at least try and institute a case against a person against whom you have got the strongest evidence, a test case. But that will not be done. The Home Minister will indulge in vague generalisations. He will not give a concrete fact. I wonder how in a democratic country this can take place. It is nothing but Fascism. "I have got the power," he seems to think, "and I will exercise it in this way, and I

do not want the public to be taken into my confidence." I say it is not the Left Communists who indulge in anti-national activities. It is the Government that is indulging in anti-national activities, because, what is after all, an anti-national activity? It means an activity which jeopardises the unity of the State. And what is a State? It is not a particular government, but it is the State. When the security of the State is jeopardised, then I can understand action being taken. But here I find that the State is not jeopardised at all, but it is the Congress Party that is in jeopardy. The real fact is that. Look at these Kerala elections. What has happened? You call them anti-national, you call them conspirators, you call them guilty of treason. But the people have returned them in vast majority. In fact, they form the biggest group in the Kerala House. You say, "Well, I am not going to release them, because they indulge in anti-national activities." So your idea of anti-national activity comes in conflict with the opinion of the people. So I say it is you who are jeopardising this democracy. It is not the Left Communists who are jeopardising democracy here. I can understand the Home Minister if he had imprisoned them long before. He did not do that. He did it just on the eve of this Kerala election, after shilly-shallying for a very long time whether the elections should be held this time or whether they should be postponed. Then again there is now the question of the Calcutta elections coming up for the first time, I mean the municipal elections, where for the first time you are having adult franchise and all the leaders are taken into custody. He hoped that in Kerala the Communists would be routed. But it is not the Communists who are routed but it is the Congress which is routed. If even after that, the Home Minister insists that he will not release these people, then how am I to characterise this Government? I can only characterise this as a Fascist State and nothing short of that.

What should I say now? There are so many things to be said. Now, it is an elementary principle of criminal jurisprudence that a man cannot be punished twice for the same offence. Here, while

going through the statement of the Home Minister, I find that he has recounted events that had taken place long before—long before 1959, I think. Most of this statement, excepting the last chapter, deals with events before 1959. If that is so, then many of these people who have now been taken into custody, had actually been in custody under the Preventive Detention Act and they were released. Now it appears to me that the Preventive Detention Act which was originally intended to be a very temporary Act has become a permanent Act, practically a permanent Act on the statute book. Not being satisfied even with that, the Government now have recourse to the Defence of India Act and the Defence of India Rules. The basis of the application of the Defence of India Act and the Defence of India Rules is the emergency. This emergency was declared in 1962 when the Chinese entered into our territory. The Chinese retreated, but even now the emergency continues. I say with all the emphasis that I can command that there is no emergency and no justification whatsoever for continuing this emergency. It is stated that the Chinese have sinister designs and that they are amassing vast troops on our borders. Whether they have a design or not is a question of intention. We cannot pry into the minds of others. We can only infer facts from their activities.

SHRI AKBAR ALI KHAN (Andhra Pradesh): May I ask if according to (he hon. Member there is no intention of any aggression or any sinister motive on the part of China?

SHRI SYED NAUSHER ALI: Let me finish and you will hear everything. You can criticise me in the normal parliamentary way as much as you like. But I have got the right to speak out my mind.

SHRI AKBAR ALI KHAN: I wanted you to explain.

SHRI SYED NAUSHER ALI: I am explaining, but don't disturb me because I am a sick man.

SHRI AKBAR ALI KHAN: I am sorry; I never meant to disturb you.

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SHRI SYED NAUSHER ALI: Now the reason is stated to be that the Chinese have amassed vast troops on the border but may I ask, are we not amassing vast troops there? You say, 'We are amassing for defence'. Similarly, they can also say they are amassing for defence. Now, the point is, as pointed out by our late Prime Minister once in this House, the dispute with China is essentially a boundary dispute and I think it cannot be said that it is anything but a boundary dispute. Now, with regard to the boundary, what is the position? With regard to this boundary, in the Ladakh area there is no McMahon Line but before I go further I should like to say that the boundary has never been demarcated on the spot. So far as Ladakh is concerned, there is practically no boundary. So far as the other side is concerned, it is said that the McMahon Line is there. Even about this McMahon Line—I have read all the White Papers that have been supplied to us—it appears that in one place near Longju there is a mistake, an obvious mistake with regard to the latitude. That may be a clerical mistake or anything like that but apart from that, this McMahon Line was an imaginary line, never demarcated on the spot. It is natural in such boundary disputes—as we know everywhere—one side says, 'Our boundary is like this' while the other side says, 'No, our boundary is like this'. So in a boundary dispute this quarrel is bound to be there. Now if we insist on this boundary line . . .

SHRI C. D. PANDE (Uttar Pradesh): Madam, our respected friend is not in good health; otherwise we would have disturbed him at this stage when he says that the McMahon Line was not demarcated. It was not demarcated by pillars but it was demarcated by certain definite landmarks, that is, the watershed etc; if any water comes this side it is ours; if it goes that side it is theirs. Therefore to raise such questions, particularly when he is not well, is very unfair to this House because we cannot disturb him; at the same time we cannot afford to let this statement go unchallenged.

SHRI M. RUTHNASWAMY (Madras): You can reply to him in due course.

SHRI SYED NAUSHER ALI: I say you can criticise me as much as you like in the normal parliamentary way.

THE DEPUTY CHAIRMAN: He does not want to be interrupted now. You can refute his points later.

SHRI C. D. PANDE: I have spoken already. He is a senior Member and it is not proper for him to utilize his illness for such wild observations.

SHRI SYED NAUSHER ALI: in this connection I did not want to go into details. I feel it will be wrong on my part to go into details because to go into details may sometimes be harmful to us. So I do not like to go into details but as he is raising it I am compelled to point out to him the opinion of Mr. Twynham who happened to be the Governor of Assam. Have you read that? You look at it. You call it a line? However, I do not want to go into details but what I am going to submit in a nutshell is that it is essentially a boundary dispute and we should not make much of it. And what, is the net effect of it? My contention is simply this. China is not our enemy. Our enemy is somewhere else. Our enemies are those people who have consistently supported the Kashmir issue against us; our enemies are those people who have declared Goa, Daman and Diu to be a province of Portugal. They are our enemies and it is well known that they are Enemy No. 1 of China. They have now become very friendly to us giving us all sorts of help and promising all sorts of assistance but assistance for what purpose? They are giving assistance not because they are our friends but because they are the enemies of China. We should remember this fact. I would only say one word. When the Britishers came here. Rani Bhowani stated—I will quote a Bengali sentence and translate it:

"Khal kete kumir enona."

It means, don't bring in crocodiles by cutting channels. And the Britishers were brought in, and I am afraid we are going to do the same thing here also. I am afraid that we are not acting in the best interests of India. We have seen Vietnam. Only the other day ten non-aligned nations

met at Belgrade. They all wanted to jay, as far as I could remember, that the U.S.A. was not acting properly but India said, 'No, China also is not acting properly'. Whether China is acting properly or not, what business has the U.S.A. got to go there and President Johnson has made his position absolutely clear. I have seen in the Press today; he says that wherever there is communism they will try to check it and they will try to stop it. I remember long long ago an Assistant Secretary of State said, 'Draw a line from Karachi to Hongkong and we will not allow the Chinese to come this side. Whether the Chinese will come this side or not, whether the communists will come this side or not, it is a patent fact. No communist country, as far as my knowledge goes, has ever encroached on another's territory. (Interruptions) You may laugh at it. That is all right. I am giving my opinion. You may refute it; you may do whatever you like you will do it, I know. I know that you are proceeding in a line which if carried out to the full will produce the result that the battle between communism and imperialism will be fought on the land of India to the ruin of India. That is the tragedy of the whole thing.

SHRI C. D. PANDE: Do you suggest that we should not claim back Ladakh, areas in Ladakh which are under the occupation of Chinese?

SHRI SYED NAUSHER ALI: I do not in the least say that you do not claim this.

THE DEPUTY CHAIRMAN: Mr. Nausher AH, your time is getting over.

SHRI SYED NAUSHER ALI: My time is getting over.

THE DEPUTY CHAIRMAN: You have had half an hour.

SHRI SYED NAUSHER ALI: I am sorry. I want to conclude. I have not completed, because I am speaking so slowly.

SHRI P. K. KUMARAN (Andhra Pradesh): The interruptions should be taken out from his time.

SHJU SYED NAUSHER ALI: However, that is another matter. My own conviction is this. I do not say for a moment give up one inch of land of India.

Now, only one word with regard to the Colombo proposals and I finish. Now, it has become a question of prestige, prestige on this side and prestige on that side. Now, what was this Colombo proposal? The Colombo proposal was nothing. It was an attempt by some friendly countries, friendly to both sides, to bring the two together. They made certain proposals to bring the two together. We think that what was intended to bring the two parties together has now proved to be an obstruction to bring the two together. The Colombo proposal, in my opinion, and as it had been expressed by some Members from the Congress side also, is not sacrosanct. We should try our best to meet together. We all know in the case of individuals that misconception, suspicion surrounds when one is a little away, but when you come together most of these things disappear. In my opinion, the dispute between China and India is one of suspicion and it is becoming more and more as we remain aloof from each other. We should try to come together and settle the entire thing. Otherwise, I am afraid it would be a prolonged thing, which if prolonged, will break India and China.

(Interruption)

THE DEPUTY CHAIRMAN: He does not wish to be interrupted. Let him finish. Mr. Vijayavargiya, you are having your turn later on.

SHRI SYED NAUSHER ALI: I shall finish because my time is over. I just say this that it is better for us to come together, try to come together, without depending entirely on the Colombo proposal or this proposal or that proposal.

As regards the Defence of India Act, now there is, in my opinion, no justification whatsoever for the continuance of the emergency and, therefore, the Defence of India Act should not apply. I have to say many more things, but I have got no time. Finding that the Preventive Detention Act did not fulfil the purpose of the Congress they have now taken

recourse to the Defence of India Rules. Now, what are these Defence of India Rules? You : ling India by putting people in jail whom the people are electing them in a vast majority. I found one statement by Mr. Nanda to the effect that soon you will find that the Right Communists will get strengthened and they will get the majority. Well, I do not know whether Mr. Nanda wants that the communists should be Right. Right Communists and Left Communists—what is the distinction between the two? Communists are communists. I finish the sentence by saying that I have known some of these Left Communists. They are patriots patriots par excellence, not like the post-independence patriots that adorn the Congress Benches today. I should go further and say that some of them are the finest specimen of humanity always trying to lift the down-trodden, sacrificing everything for that. I find today -few people of that standard on the Congress Benches. So, my request, my appeal to the Congress people is not to jump up, but to think dispassionately, carefully, what we are going to do, what we should do, whether we should have our enemies round about us. Pakistan is our enemy. China is our enemy. Burma is our enemy. Ceylon is our enemy and all these people are enemies. Our external policy has succeeded to this extent.

Thank you, Madam, for allowing me (his time, but I should repeat once more that it will be in the best interests of India to free these people immediately and to allow them to form a Ministry in Kerala. Otherwise, you are jeopardising democracy. I should repeat again, try to settle this boundary¹ dispute without any precondition, meet together, settle this difference, and you will be relieved completely of the burden of taxation. Somebody asked me whether I want to give up. 'No'. Why should I give up an inch of our land? I will never give up an inch.

Thank you, Madam.

THE DEPUTY CHAIRMAN: Mr. Khandubhai Desai. The House will rise at 1.30 P.M.

SHRI KHANDUBHAI K. DESAI (Gujarat): Madam Deputy Chairman, at the outset, I would like to pay my hearty compliments to the Finance Minister for bringing before us his Budget statement and financial proposals which are, in my opinion, a welcome break from the past eight or ten years. It has been made possible for him to do so because of the peculiar economic situation which developed, particularly in the first three or four years of the Plan, after heavy doses of taxation, which we have gone through during the last four or five years. Since 1951-52, we have entered the Plan period. In the last Budget of the Third Plan we have seen that taxation which was about Rs. 350 crores at the beginning of planned economy, has gone up in so many years

to about Rs. 1,800 crores—taxation P.M. receipts only. Out of this the major burden has been borne by the common man. The excise duty which was then about Rs. 70 crores is likely to be about Rs. 850 crores next year, the coming financial year. Certain targets and physical achievements had been laid down. But unfortunately because of the Chinese invasion and the inflationary trend and in the Second Plan with the Suez difficulties we have not been able to achieve the physical targets resulting in more and more expenditure and more and more doses of new taxation proposals which according to my calculations work out to anywhere near the average of Rs. 55 crores every year. That has been the position which must have been before the Finance Minister's eyes and, as I said, for the first time in the last ten or fifteen years he has given us a welcome break. But that has also been possible by a very ingenious imposition of 10 per cent import duty about a week before the Budget. That brings to the Treasury about Rs. 75 crores. Anyway, I do not quarrel because in the context of so many doses of annual taxation, coupled with the latest one of Rs. 75 crores, as I said, for the first time after independence we have apparently no new taxation proposals and some reliefs here and there have been granted. We welcome them. Particularly in the case of income-tax everybody from top to bottom has been benefited.

This Budget apparently appears to have been framed with a view to achieving two or three main objectives: firstly, to hold the price line; secondly, to hold what is called the capital market; and thirdly, to increase production both in the industrial sector and in the agricultural sector. *Prima facie*, as I said in the beginning, I welcome this Budget, but whether these three objectives in the last year of the Third Plan will be achieved would have to be judged in February 1966. We all wish that the prognosis which the Finance Minister has made would come true in the national interest.

I was looking at the statistics which have been cogently given in the Economic Survey, and I feel it is just time to look into our past performance so as to project the image for the future. The first two Five Year Plans gave us comparatively satisfactory results. The national income has gone up by about 40 per cent. The *per capita* income has gone up by about 18.5 per cent. It was good. We expected according to the planners that in the Third Five Year Plan the national income would go up by about 25 per cent if not 30 per cent. But I am afraid that with the stagnancy in agricultural production—it has almost stagnated for the first three years and in the fourth year there will be something more of this—we will hardly be able to reach 7 per cent in the fourth year. But the whole question was that we targeted for a production of 100 million tonnes of food. We might be happy if we reach the figure of about 90 million tonnes. The result of stagnation for the first three years and I may say even for the fourth year is to such an extent that industrial production also has suffered. Whereas the cumulative growth was expected to be about 11 per cent, I think we will hardly reach a cumulative growth of about 8 per cent. If 11 per cent, cumulative growth has to be maintained in the current plan, the production should have been 12 per cent in the current year and in the next year it should have been 14 per cent. But that is not going to happen. So, taking all these factors into consideration, whatever the Economic Survey places before us, whatever our Finance Minister has placed before us, it is certain that with the economic growth that has taken place during

the Third Plan no further doses of taxation are called for. That is one thing. Other wise they will upset the whole economy. So, it is a wise step that he has taken.

Then again, as we see, after a series of deficit Budgets, for the first time there is a balanced Budget including the capital expenditure. So he has ruled out deficit financing for the coming year. But I may suggest this: let him stick to his intentions even if something goes wrong somewhere, because the common man has suffered, according to me, in carrying out the Plan, considerable strain on account of the excise duties which have been imposed and on account of the price rise which has taken place during the Plan period. Taking 1951-52 as the basis 100, I calculated and I find that the current year will give you an increase in wholesale prices to the extent of 152. So, straightway, in the planned period, the prices have gone up by more than half. The Second Five Year Plan gave an increase in prices of about 25 per cent; this year it might give, on the whole, a total rise of about 27 per cent over and above 25 per cent. I think it is more than enough. And what I think is that any further strain on the prices will be intolerable. And I am afraid that at this stage to make an artificial attempt to bring down the prices is also not good to a larger extent, because that will upset the whole economic structure. So, what would have to be done, is important. The Finance Minister has stated in his statement that he would try his best to hold the price line. Now, agriculture production is, in my view, the real bottleneck and the time has come now when plans for industrial production has to be stopped. Let for some years to come the whole concentration at the level of the Central Government and the State Governments be seriously devoted to increasing agri-cultural production and the productivity of the land. There, if I may, I would like to place before the House one cardinal human factor that has been utterly neglected, that human factor is the landless labour. I think the House is no doubt aware that the total landless labour in this country is about 22.5 per cent of the whole population and if you take the cultivating men-force, including, of course, the tenants and the peasant proprietors, they—

the landless labour—form nearly one-third of the rural agricultural population. The two agricultural enquiries which have been conducted have presented to the country certain realities of the facts which, to say the least, are disquieting. The income of these people is very low. The corporate sector makes a lot of noise in both the Houses and in the Press. The working class also, in whose service I have been working for the last 45 years, is quite capable of making that noise in the conferences. And everybody wants incentive. Of course, this House and the other House substantially represent the peasantry which forms 80 per cent of our population. So, we make ourselves felt. The agriculturists require incentives for more production, incentives in the form of prices. The corporate sector wants incentives in the form of less taxes. The industrial workers, the middle class people— the teachers, everybody else also wants something, but the neglected class is not looked after. This is the class which, as I said, is a very potent force and is utilising whatever you are making available to the farmer, either in the form of credit or manure or water or other facilities in the Community Projects. Unless you get the willing and the whole-hearted cooperation of these neglected beings, who form one-fourth of the population, how are you going to increase productivity? Certain incentives to them are also necessary. We may go on talking but no results will come out. This is something to which I would draw the attention of the Planning Commission as well as, if I may say so, the Government as a whole. Will you

(Time bell rings)

please give me about two minutes? One last point, and I will finish.

THE DEPUTY CHAIRMAN: All right, have it.

SHM KHANDUBHAI K. DESAI: Then I would say something about the public sector. The total national debt is Rs. 7,800 crores and with other liabilities included it goes up to about Rs. 11,000 crores. This means about 75 per cent of our annual national income. About one-third out of the sum of Rs. 7,800 crores is invested in the Railways and about one-

[Shri Khandubhai K. L.] fourth is invested in the public like the steel plants, fertiliser, machine tools, etc. Now, public sector working is necessary for this country, but its efficient working is also a dire necessity. The gestation period for most of them, I think, has passed, still they are not able to make enough contributions to the national treasury. Something is wrong somewhere in their management.

AN HON. MEMBER: They have started doing this year.

KHANDUBHAI K. DESAI: way, we would like to look at it in 1966. Now, two things have been set up. Last year a Committee of both Houses on Public Sector Undertakings was set up. The Finance Minister has declared that he will have something like a Public Sector Bureau. I hope that these will give us the results. My experience with the public sector undertakings and their working has been a little sad one, because they have got the worst of both the sections, the bureaucratic section and the private sector, instead of having the best of both. I do not want to tread on a delicate ground but it is my duty as a public man to place before Parliament that in my view it is very unwise to draft civilians, and retired civilians, as the main persons to manage these public sector undertakings. It must be done in a businesslike way and not in a bureaucratic way. It is being said that some of the ex-Civil Service people are doing very good work in some of the private firms. They do it. But they are not there to do work. They are there substantially for public relations. And, therefore, it is high time that a change in the policy is made in the public managements, sooner the better.

SHRI AKBAR ALI KHAN (Andhra Pradesh): We are going to have the Economic Service.

THE DEPUTY CHAIRMAN: You want two minutes more?

SHRI KHANDUBHAI K. DESAI: This is my last point and I have done. I will another opportunity to speak. The Economic service has been constituted but

that service is being manned by the old groove people; I would like that it is much better, however much

the private enterprise—I am not particularly enamoured of the private enterprise—for the Economic Service young men to get trained in some of the private sector industries. That will give them good lessons in practical work.

SUDHIR GHOSH (West Bengal): Where is the necessity to create another bureaucracy. They are Government companies and they can be run as companies.

SHRI KHANDUBHAI K. DESAI: Just a last word. I do not want the Government to launch a programme of gigantic concerns like the Hindustan Steel or the National Fertilisers. Let all these units be made separate so that there will be enough competition. This race for, in my view, is going to bring disaster to our public sector undertakings. Then I had to say with regard to some of the salient features which I could make out from the Economic Survey which I have gone through.

SHRI SUDHIR GHOSH: Madam Deputy Chairman, since our good friend, Nausher Ali, took such a long time . . .

THE DEPUTY CHAIRMAN: No, he did not take a long time. He took what was allotted to his party.

SHRI KHANDUBHAI K. DESAI: Which party?

THE DEPUTY CHAIRMAN: Communist Party.

SHRI SUDHIR GHOSH: Anyhow, I shall have to be very quick. There are five minutes left before 1-30.

THE DEPUTY CHAIRMAN: You will get fifteen minutes.

SHRI SUDHIR GHOSH: In any case I shall have to be very quick in demolishing our good friend's point of view about China and the friends of his Chinese friends in this country.

Madam Deputy Chairman, last Tuesday our Prime Minister made an admirable speech before this House. It was very heartening to listen to the new note of firmness in his survey of our internal economic and organisational problems. But I could not help feeling somewhat sad to listen to his foreign policy statement, to the inadequacy of the Prime Minister's remarks about the two grave crises which shaking the whole world today, that is, the crisis in Vietnam and South-East Asia and the crisis in the United Nations. I, therefore, wish to take this opportunity during the Budget discussion to offer a few very brief remarks on these two grave crises and to offer, if I may venture to do so, a few words of friendly advice to our Government.

It appears, Madam Deputy Chairman, that our foreign policy advisers have not pointed out to our Prime Minister that statesmanship demands the acceptance of responsibility for what is happening around us in this world and discharging that responsibility to the extent of the nation's capacity. We cannot become a moral force in the world merely by preaching occasional sermons to the Americans or to the Russians about what they should do or should not do.

Of all the dangers that threaten India today, nothing is more dangerous than the danger of Chinese military power, which has shaken up the whole of South-East Asia, Vietnam, Laos, Cambodia, Thailand, Burma and the whole of the northern frontier of India—from N.E.F.A. to Ladakh—and will do so more confidently when, in a week or two, the Chinese militarists explode their second and much bigger nuclear bomb.

The Government has made various pronouncements, Madam, on the crisis in South-East Asia. Our Foreign Minister says that he wants a Geneva-type conference and a political settlement in Vietnam. Last session when the House considered the international situation I got into some trouble with my friend, the Foreign Minister, for saying a couple of sentences about exploring the possibility of a political settlement, between India and China, of the grave conflict that is costing

us nearly half of our annual budget in military preparation. Madam Deputy Chairman, I am not a person who talks in the air; I had a reason for mentioning it, although I was not free to disclose the details of what I was talking about. I had no proof before me of the genuineness of the Chinese desire for a political settlement with us. But if responsible statesmen of international standing claim, on the strength of their direct talks with Chau-En-lai and Mao-Tse-Tung, that the Chinese leaders do want a peaceful political settlement with us, then it becomes our duty, Madam, to put that claim to the test.

I agree with our Foreign Minister that the Chinese are unscrupulous and intransigent and have frustrated all our attempts and the attempts of the friendly Colombo Powers to bring about a political settlement of our problem. What I do not understand is the Foreign Minister's charming belief that the same unscrupulous and intransigent Chinese will, by some miracle, cease to be unscrupulous and intransigent, if only the Americans will gather together a Geneva-type Conference and the Chinese will cheerfully participate in a political settlement in Vietnam which will exclude the power of Communist China from that country. I am impressed to see the simplicity of our Foreign Minister's thinking on international affairs.

Our Prime Minister says that he wants the Americans to get out of Vietnam and he wants the sovereignty of the people of Vietnam to assert itself. I am entirely in agreement with the Prime Minister. I too want the Americans to get out of Vietnam, but I want to know what happens after the Americans get out? Is it not necessary to ensure that the power of Communist China does not fill in the vacuum left behind by the Americans? Or have we already taken it for granted in our minds that Vietnam anyhow is a part of the Chinese sphere of influence and the world had better let them take it, in the same way as we acquiesced in the taking over of Tibet by the Chinese Communists. The withdrawal of the Chinese, Madam, makes sense only if a large enough and powerful enough United Nations peacekeeping force replaces the Americans in Vietnam. I would love to see the

[Shri Sudhir Ghosh.] Americans getting out of Vietnam and an international force under the flag of the U.N. move in—to stand guarantee that the people of Vietnam shall have a chance to breathe and they will have a chance to exercise their own will and decide their own future. I do not understand why our Prime Minister does not go forward and place before the world a positive suggestion about an alternative to the American military presence in that part of the world.

But the United Nations today is on the way to its death on this very issue of the United Nations peacekeeping force and the refusal of two of its founding members, France and Soviet Russia, to pay their share of the cost of U.N. peacekeeping in the Congo, the Gaza strip and elsewhere. The International Court said that the payment of these dues was obligatory on the part of the members of the United Nations. We took the position that it was not obligatory; a sovereign State can decide whether it likes to pay or not. We seem to imagine that the pronouncement of that opinion was in full discharge of our responsibility to the world organisation. The Canadians, the Dutch, the Government of Finland and Sweden and some others have voluntarily offered a certain number of units of their armed forces to the U.N. peacekeeping army and also to pay for their deployment. Nobody asked them to make that offer. They have done that voluntarily. Britain has offered logistic support with transport aircraft, signal units, ordnance supplies, ambulances, etc. How is it that our Prime Minister does not come forward with an offer that he would be willing to set aside and maintain, say a brigade of Indian troops at our own cost in India, ready to go to any part of the world.

SHRI GOPIKRISHNA VIIAIVARGIYA:
We have sent to Congo our army.

SHRI SUDHIR GHOSH: That was asked by the United Nations. I am talking about whether this country can make an offer like some other Members of the U.N., are making offers, who have a sense of responsibility for keeping the U.N. alive. 'Why do we have to wait till somebody

tells us to do it? Surely we could have offered in the same way as the small countries have done, to set aside and maintain a brigade of our own troops, at our own cost, ready to go out to any part of the world, maybe to Vietnam, not to fight anybody but to go there under the flag of the U.N. to save peace. Shall I go on? It is already 1.30.

THE DEPUTY CHAIRMAN: You can finish or if you want you can continue lateT.

SHRI SUDHIR GHOSH: If the House desires then I can finish.

HON. MEMBERS: After lunch.

THE DEPUTY CHAIRMAN: Then the House shall reassemble at 2.30 P.M.

The House, then, adjourned for lunch at thirty-two minutes 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.

SHRI SUDHIR GHOSH: Sir, before the lunch break, I drew the attention of hon. Members to how small countries like Finland, Sweden, Canada, Holland were trying to make all the sacrifices they could possibly make in order to save the U.N. and I wondered why such a big country as ours cannot offer to set aside and maintain at our own cost, say a brigade of Indian troops for the U.N. peace-keeping force, ready to go anywhere in the world, even to Vietnam if necessary, not to fight anybody but to save peace, under the flag of the U.N.

The British Prime Minister has appointed a Committee consisting of the best brains of Britain including the ablest of their M.Ps. and international lawyers of the standing of Professor Jennings, Lord Devlin, Lord Shawcross—to cudgel their brains to work out ways of saving the U.N. from its impending death—to work out proposals for submission to the Special U.N. Committee that has been set up. I

have not yet heard that anybody in the Government of India is spending sleepless nights* to save the U.N. from its death.

At present 49 per cent, of the U.N.'s annual budget is provided by only two countries—the Super Powers, America and Russia; 14 per cent, by Britain and France and 37 per cent, by the rest of the whole world put together; 60 per cent, of the U.N. budget for technical assistance to underdeveloped countries comes from only one country, the U.S. Naturally those who pay the piper try to call the tune. At the Afro-Asian Conference in Algeria, I hope that the Prime Minister of India will take the lead to rectify this imbalance in the U.N. Organisation and I hope that the non-aligned countries will come forward with an announcement about what sacrifice they are prepared to make to save the U.N. and to build up a World Security System—instead of beating the dead horse of colonialism all over again. I hope the non-aligned countries themselves will come forward with an offer that they are prepared to meet the cost of sending a peace-keeping U.N. force to Vietnam to replace the American Armed forces, without taking charity either from America or Russia. The Super Powers—America and Russia—are so big that they can live without the U.N.; to the smaller powers the U.N. offers not only verbal dignity but the only hope of an escape from nuclear terror.

As I have said, I would like to see the Americans get out of Vietnam just as much as our Foreign Minister would like it. But may I in this connection share with hon. Members a few lines from a front-page editorial on this subject in the London socialist newspaper, the *New Statesman*. It says:

"The Americans would gladly pull out tomorrow if they could honestly persuade themselves that this would be the end of the story. But, of course, it might merely be the beginning. Last Friday, the Peking Government asserted, in plain terms, that its next objective was Thailand's subversion. This ramshackle dictatorship is ripe for plunder; it has an ill-used Chinese minority of 3 million; and now, according to Peking,

it has what is virtually a government-in-exile, ready to invade Thailand once the military situation is favourable. With the collapse of South Vietnam, Laos, already half occupied by Communist troops, would be speedily swallowed, and the Ruritanian 'neutralist' kingdom of Cambodia snuffed out. Thailand would then be exposed along a thousand miles of indefensible frontier. And allot Thailand? The Communists and their allies could move into Malaysia from the north, to reinforce their assaults from the South. Worse still, Thailand's, fall would expose the far eastern flanks of Burma and, beyond Burma, the plains of India. The road to New Delhi lies through Saigon."

If anybody imagines that there is exaggeration in this assessment I venture to share with him an assessment of another kind, on another level, of a saint and a seer, Sri Aurobindo. whose mind functioned, on a plane higher than that of politics or diplomacy. He was asked a question when the Americans were faced with a similar situation in 1950 in Korea, by one of his disciples and this is what he said:

"I do not know why you want a line of thought to be indicated to you for your guidance in the affair of Korea. There the whole affair is as plain as 'pikestaff'. It is the first move in the Communist plan of campaign to dominate and take possession first of these Northern parts and then of South-East Asia as a preliminary to their manoeuvres with regard to the rest of the continent—in passing Tibet as a gate into India. If they succeed, there is no reason why domination of the world should not follow by steps until they are ready to deal with America.

Truman seems to have understood the situation if we can judge from his moves in Korea, but it is to be seen whether he is strong enough to carry the matter through. The measures he has taken are likely to be incomplete and unsuccessful, since they do not include any actual military intervention except on sea and in the air. One thing is certain, that is, if there is too much shilly-shallying and if America gives up now

[Shri Sudhir Ghosh.] her defence of Korea, she may be driven to yield position after position until it is too late. At one point or another she will have to stand and face the necessity of drastic action even if it leads to

Mr. Vice-Chairman. I think the people of this country have a right to demand an end from US,

SHRI C. D. PANDE: What prophetic words of the great sage!

SHRI SUDHIR GHOSH: Those who sit here in the Parliament as to what is going to happen to this country when the Chinese Communists bare their teeth again on the India-China frontier. The Defence Minister said in Parliament the other day that something like 6 divisions of mechanised Chinese troops are sitting on our border and he particularly pointed out the dangerous state of things in the Chumbi Valley, just on top of the narrow 25 miles wide strip that connects Assam-NEFA-Nagaland with the rest of India. He also explained that while our land forces—the Himalayan divisions—had made good progress, there is serious deficiency in airpower to give support to these mountain divisions when the conflict with China breaks out. That is our military position.

Back in 1962 October, when our brave soldiers suffered humiliation and dishonour—which the Indian army will never forget—thanks to politicians who took the decision to send them to the Thagla Ridge, against all canons of military science—day after day we heard the shattering news of how our supposedly impregnable strongholds crumbled one after the other at Towang and Sela and Umdilla and ultimately the Chinese Communist hoarders came down to the Brahmaputra Valley. Then as you all know, very suddenly, to the great surprise of the whole world, the Chinese decided to turn back. Why did they decide to turn back? Some people think, some people claim that, faced with this grave danger, our people rose like one man instead of destroying each other, as we are doing today in a senseless war of languages, and the Chinese realised that

they could not really make much headway in India and therefore they decided to turn back. There are others who believe that Bertrand Russell, the distinguished philosopher . . .

THE VICE-CHAIRMAN (SHRI AKBAR ALI KHAN): Your time is up, Mr. Ghosh.

SHRI SUDHIR GHOSH: Not yet, Sir. I have ten minutes and I have not yet reached ten minutes and I will take only two minutes more.

There are others who believe that Bertrand Russell, the distinguished philosopher, sent a telegram to Mr. Chou En-lai to point out that it was not nice to worry a good man like Jawaharlal Nehru and that therefore the Chinese decided to go back. There are still others who believe that our good friend, Mr. Khrushchev gave some good advice to Mr. Mao-Tse-Tung, with whom he had very affectionate relations, and as a result of that good advice the Chinese decided to go home. But it is not widely known that in those dark days of India's peril there was a stand-I outside Calcutta, near the mouth of the Hooghly river, about a couple of miles outside our territorial waters, one of the largest and newest aircraft carriers of the United States navy, fitted with a full complement of supersonic aircraft and all the latest gadgets of destruction, sufficient to pulverise an advancing Chinese army, however large. One great power knows how to give a signal to another great power, and it is not widely known that a signal was given by one side to the other that, if they advanced any further, they would be forcing the hands of the President of the United States. The American aircraft carrier with all its means of destruction was there, not on the initiative of the American President; it was there at the request of Prime Minister Nehru of India, who had asked for American air protection, which was provided by President Kennedy. In the hour of our danger, so proud a man as our former Prime Minister, realised that, in the last analysis, it was not a practical proposition to defend India from the military might of Communist China without using the military might of the United States. That was the background of the Prime

Minister's famous remark that here was no non-alignment where China was.

of India, in those our period, wrote to all the Governments in the world for help. It is a fact of history, Chairman, that our Soviet friends did not even acknowledge his letter until August—July 1963. when they came forward with some offer of military aid which had nothing to do with the Chinese threat to India.

I conclude with this remark, Mr. Vice-Chairman. I am absolutely certain about the story I have told you. But I am not suggesting that we, therefore, forget our friendship with Soviet Russia. I believe in the warmest kind of friendship between Russia and India. I fully appreciate the difficulty and embarrassment of our Soviet friends when Communist China is concerned. I have merely pointed out the facts of life as they are. I have drawn your attention to what is going to happen again when the clouds are down.

In the world today, there are forces that are trying to reduce tension amongst nations, and there are other forces, China, Indonesia and their friends, which are working to create greater and greater tension. In this new division of forces in the world the Russians and the Americans are on the same side of the fence; they are both desperately anxious to avoid war. In these changed circumstances India's non-alignment requires redefinition. I believe in non-alignment where Soviet Russia is concerned. I do not believe in non-alignment where Communist China is concerned. The services of non-aligned are not longer required as a peace-maker between the Russians and the Americans, between the Communists and the anti-Communists. India's real contribution to world peace today is her own survival.

Sunt MULKA GOVINDA REDDY (Mysore): Mr. Vice-Chairman, Mr. Nausher Ali's speech to the effect that China has not committed aggression against India, and that China is not our enemy number one cannot go unchallenged. China has committed unprecedented aggression

since the latter thought from the very beginning for China's inclusion or admission into the United Nations. But she has not kept up her word of honour that she gave to India. She is really mobilising its forces on her borders, particularly on the north and her second attack may come about at any time. China is posing

a great danger to the territorial integrity of India and to the freedom and peace of the world. China is stirring up trouble all over the Asian region. China's policy is one of expansionism and should be resisted. China has violated our territorial integrity and she was not even prepared to accept the Colombo proposals in their entirety although a peaceful settlement can be brought about of the disputes that are there between India and China. Now to

the Chinese aggression we have got to prepare, both military and economic, and also in the field of diplomacy we have to exert our pressure to see that China is isolated. It is not the communist menace that we are facing with regard to China, it is the expansionism and totalitarianism of China that we are facing today. With the stirring up of trouble in South-East Asian countries, particularly in Viet-Nam, it is now aiding

in abetting the confrontation of Indonesia with Malaysia. We have time and again declared that our sympathies are with Malaysia and efforts should be made to see that some peaceful solution is brought about between Malaysia and Indonesia. With regard to Vietnam the situation is very explosive and all efforts should be made to see that foreign forces of all kinds should be withdrawn from Vietnam so that the people of Vietnam may settle their disputes, if any, amongst themselves. Mr. Vice-Chairman, there are many Indians who have gone out of India and settled down in foreign countries. We have seen how some of them in some countries have been badly treated by the people and the governments of those countries. In Fiji where the population of the people of Indian origin is more than 51 per cent, racial troubles are there between the Fijians and the people of Indian origin. Everything should be done to bring about racial harmony between these two communities. Today Fiji is a British colony and we have to take up the

[Sbri Mulka Govinda Reiddy.] cause of Fiji in the United Nations and see that it gains independence and everything should be done on our part to bring about racial harmony between both these communities. I am glad the Finance Minister has stated that nearly Rs. 46 crores are allotted for aiding under-developed countries. I would urge upon him that he should bestow more thought over the question of the Fiji Island which is about 10,000 miles away from here and we should aid some industries there and also help in starting a university since they do not have one there on that island. It is unfortunate that where we have so many Indians, or rather people of Indian origin—and they are the predominant portion in that territory—the strength of the Indian Embassy there is so depleted that even the library of the Indian Embassy is closed for want of personnel. It is high time that India took more interest, particularly in countries like Fiji where our Embassy should work properly so that the relations, strained or otherwise, between the two countries are strengthened.

Mr. Vice-Chairman, the other day the Prime Minister made a statement with regard to corruption charges against Ministers in some of the States. In order to meet the Chinese challenge we should have a clean administration and an efficient administration and the economic progress of the people should be ensured. The economic progress of the people can be brought about if there is an honest administration and if there is an efficient administration. Corruption at all levels should be put an end to. It is unfortunate that the Cabinet Sub-Committee has taken a very wrong decision with regard to the cases of Orissa, Mysore and Bihar. If we scan through that Report of the C.B.I. which was placed on the Table of the other House and also the recommendations of the Cabinet Sub-Committee, it will be quite evident that a political decision has been taken on this question. The Cabinet Sub-Committee's finding is that there is no pecuniary benefit either to Patnaik and company or to Mr. Biren Mitra. After all, it should be remembered that according to the findings of the CBI Report it is evident that crores of rupees have gone to the benefit of the Patnaik

concerns and Mr. Biren Mitra. I understand that it was confirmed by the Finance Minister that a special audit was conducted into the affairs of the Orissa Agents and the Patnaik Concerns with the Orissa Government, and according to the report of this special audit, nearly Rs. 2 crores have gone to the benefit or to the pockets of Mrs. Biren Mitra and Mr. Patnaik and his friends. So when there is such a fact facing the Cabinet Sub-Committee and when lakhs of rupees have gone to the benefit of the two ex-Chief Ministers, it is quite clear that they are not prepared to see this question is a national question, that they are not prepared to decide this question in the interest of Orissa and the people of Orissa— but only in the interest of the party to which they all belong. They have thrown to the winds the recommendations of the Santhanam Committee. We know that the Santhanam Committee was appointed and that committee gave us a report. Mr. Santhanam is not a member of the Opposition. But these are some of the recommendations of that Committee. I am quoting from the report.

"There is a widespread impression that failure of integrity is not uncommon among Ministers and that some Ministers who have held office during the last 16 years have enriched themselves illegitimately."

And then they say:

"The general belief about failure of integrity amongst Minister? is as damaging as actual failure."

Further they have said:

"We are convinced that ensuring absolute integrity on the part of Ministers at the Centre and the States is an indispensable condition for the establishment of a tradition of purity in public service."

Therefore, they have made this very salutary and important recommendation:

"Specific allegation of corruption on the part of a Minister at the Centre or a State should be promptly investigated by an agency whose findings will command respect."

Here nobody will find that the recommendations of the Cabinet Sub-Committee will command respect and that very Cabinet Sub-Committee does not command confidence and respect in view of the fact that it has not acted in the interest of the State concerned but only in the interest of the party that is ruling in that particular State. The Report further says:

"We recognise that irresponsible allegations cannot be taken serious note of. We therefore suggest that if a formal allegation is made by any 10 members of Parliament or a Legislature in writing addressed to the Prime Minister or the Chief Minister, through the Speakers and Chairman, the Prime Minister or Chief Minister should consider himself obliged, by convention, to refer the allegation for immediate investigation by a Committee as has been suggested later in this Section."

The Report has suggested in a later portion that the President should appoint a national panel out of which a committee should be appointed, as and when the occasion arises and that committee should contain at least one member who is a Judge and that that committee should go into these questions and if there is a *prima facie* case made out, then a commission of enquiry should be appointed under the Commission of Enquiry Act of 1952. Now, there is ample evidence from the reports that have been submitted by the C.B.I. and the findings of the Cabinet Sub-Committee which go to show that there is a *prima facie* case here and therefore, a commission of enquiry under the Commission of Enquiry Act, 1952, should have been appointed. I demand that such a commission should be appointed with regard to Orissa and with regard to Mysore. According to the very statement of the Prime Minister that was made the other day, about 30 MLAs belonging to the Opposition and 2 M.Ps. belonging to the Opposition, have made very serious charges against the Ministers, they are not frivolous ones but crores of rupees are involved and the charges are against the Chief Minister and some of his colleagues. They presented a memorandum to the President of India asking for a judicial enquiry. Not only the Opposition MLAs. and the Members of Parliament

from Mysore have done this. But a charge-sheet against the Mysore Ministry has been made by 10 Congress MLAs. of the State Congress. Now about 42 legislators including 2 Members of Parliament have made such serious charges against the Ministry. But the Cabinet Sub-Committee has come out with a report saying that the charges are found to be frivolous and that there is no basis to make further enquiry. The Cabinet Sub Committee have examined the replies of the Minister or Ministers concerned, they say. When as many as some 43 legislators, responsible legislators have made such serious allegations against the Administration, it is the bounden duty of the Government to see that a commission is appointed to go into this question, and if the commission find that the charges that were made against the Mysore Ministry were frivolous or baseless, then we would have accepted our guilt and pleaded that we should be excused and we would apologise to the Chief Minister or the other Ministers against whom we have made the charges. But here the Sub-Committee does not go into this question and they again take a political decision.

3 P.M.

Again in Bihar responsible legislators, more than the required number suggested by the Santhanam Committee, made serious charges against the Ministry. Again the same Sub-Committee has given its findings saying that there is no truth in the allegations and the Chief Minister or other Ministers are given a clean chit.

After this very Sub-Committee has found that the conduct of the former Chief Ministers of Orissa was improper and unworthy of that high office, the great Congress leader and a member of the Syndicate, Mr. Atulya Ghosh, issues a clean chit to Mr. Biren Mitra saying that he is free from the allegations and that he has been unnecessarily charged with misappropriation of funds and other corrupt practices. Mr. Vice-Chairman, there is a widespread rumour in the country that at the time of choosing the successor, people who actively supported Mr. Shastri to come to power are treated very leniently and people who supported his rival, Mr. Morarji Desai, are treated harshly. Whether this impression is correct or not . . .

• leadership, and this issue would still have remained in the streets of Madras or some other places. Therefore I congratulate and I am glad that the central leadership has now got its eyes opened and is now thinking of implementing the assurances that were given by the late Prime Minister Nehru. By their merely stating that they will stand by the assurances given by Nehru and that English will continue as an associate language as long as the non-Hindi-speaking people want it will not satisfy the people of the South and other non-Hindi States. The Constitution has given that right. It is not illegal or unconstitutional as Dr. Lohia and some others made out the other day. They said that English should not be used because it is unconstitutional. The Constitution has given fit it power to Parliament to pass a law enabling English to be continued as an associate language as long as we like. So Parliament is competent to pass a law enabling

the continued use of English as an associate language as long as the non-Hindi-speaking people want it. Unity should be uppermost, integrity should be uppermost, and whatever we do, we should not strike at the unity of India or at the integrity of India. So there should be some sort of a compromise and we should be in a position to please the non-Hindi-speaking people so that Hindi is not imposed against their will. Hindi should be brought in by persuasion and that way we should be able to solve this question. I am one of those who feel that English is going to help or benefit the people of India. It has cemented and it has brought about unity. English might have been introduced by foreigners for their own reasons, but it has brought about unity and for the sake of a narrow, nationalistic outlook we should not forsake that great international language which has opened the doors of knowledge to the people of India. I, therefore, plead that we should go slow with regard to the imposition of Hindi and we should stand by the assurance that was given to us by the late Prime Minister, by amending the Official Languages Act and incorporating those assurances.

I would also like to suggest in passing that it would be better if we have a common terminology for all the fourteen languages, particularly for scientific words, technical words and legal words, so that it will be easy to learn the language of the other people. I would also like to add that the Roman script should be introduced for our Indian languages, so that it will be easy for one language group to learn the language of the other group and we have got to do it because the integrity and unity of Indian are more precious to us than even the language which we all speak. Yes, by a slow process it is possible to have Hindi as our link language. In November/December I was in Fiji. I was glad to find that 51 per cent of Indian who are living there and who went there as indentured labour have done well to improve the economic conditions and wealth of that place. They have learnt and they have adopted Hindustani, not Hindi, as some of our fanatics plead, as their mother tongue and that is the link language that they have. So also, it is not difficult for

us to develop Hindi and ultimately we will have it as our official language or link language. Meanwhile we should do everything possible to see that the people in the South do not feel that Hindi is being imposed on them as the language of the ruler over the ruled. Feelings in the South are very much roused.

I would also plead, in order to allay the fears that they have, that one session of Parliament, either the winter or autumn session should be held either in Bangalore....

SHRI R. S. KHANDEKAR (Madhya Pradesh): Why not the summer session?

SHRI MULKA GOVINDA REDDY: The summer session is the Budget session and it would be difficult for the Government of India to make proper arrangements. I would also plead that one session of Parliament should be held either in Madras or Bangalore or Hyderabad, so that people of the North, when they go to the South, . . .

SHRI SUNDAR MANI PATEL (Orissa): What about East and West?

SHRI MULKA GOVINDA REDDY: . . . will also feel the difficulty of the language when they go to that place. The problem of National integrity will be solved and people will come closer together.

Thank you.

SHRI K. V. RAGHUNATHA REDDY (Andhra Pradesh): Mr. Vice-Chairman, the present Budget marks the end of a series of deficit Budgets during the last so many years and the credit must go to the Finance Minister, who, with all his ingenuity in economic thinking and practical commercial policies, has come forward with a balanced Budget. At the same time, we may have to remember that the balance secured during this time is mainly due to the increase in the PL 480 funds, which went up from Rs. 11 crores last year to Rs. 191 crores this year. This is an unseen circumstance, accidental as it is. This has certainly helped him to balance the Budget. I wonder whether the same circumstance and situation would obtain next year and I wish that the present Finance Minister, with all his learning of

[Shri K. V. Raghunatha Reddy.] economics, would be able to balance the Budget next year even without Rs. 191 crores, which is available now from PL 480 funds.

In 1965-66, the Government proposes to borrow Rs. 100 crores, out of which Rs. 70 crores can be still characterised as deficit financing. While we appreciate the endeavour which has mainly guided the Finance Minister to reduce deficit financing, as far as possible, still there remains during this year itself about Rs. 70 crores of deficit financing. I hope the Finance Minister would look into it and exercise his capacity to further reduce deficit financing, at least by the next Budget tint*.

Rather strangely the criticism made on the Finance Minister's Budget proposals has come from the corporate sector, though not very much from the ordinary mass of people. It is worth while to examine whether there is any validity for this type of reasoning and attack from the corporate sector against the Budget proposals. They say that the proposals made by the Finance Minister are not enough to satisfy the needs of the corporate sector. It is worth while to examine how far this kind of criticism is valid or not. For this purpose you will have to bear in mind for a moment what was exactly the picture in 1963-64, so that we may be able to compare it with 1965-66. In the case of companies earning 20 per cent profit of net worth, in 1964-65 it came down to 45 per cent taxation, as against 55 per cent taxation in 1963-64. In the case of companies earning 40 per cent net worth, in 1964-65 it was 52 per cent as against 64 per cent in 1963-64. In the case of non-priority industries earning 20 per cent net worth, it was 50 per cent in 1964-65, as against 55 per cent in 1963-64. as against 55 per cent in 1963-64. In the case of companies earning 40 per cent net worth, it was 57 per cent in 1964-65 as against 64 per cent in 1963-64. The picture that emerges from 1963-64 is that there is a gradual decrease in direct taxation in the corporate sector from 1963-64 to 1964-65. Not satisfied with that, the Finance Minister has given further inducements to the corporate sector by way various concessions *s enunciated by him in his Budget proposals. And what are those concessions?

Equity shareholders in a large number of industries will be granted tax credit certificates at certain prescribed rates which will entitle the holder to reduce his tax liability to the extent of the credit. This provision, in effect, amounts to a guaranteed minimum dividend to be given out of the public exchequer to shareholders of private industries.

The next concession is on the tax of bonus shares. A reduction of ten per cent on the face value of bonus shares will be allowed. The maximum tax leviable on these shares is 25 per cent of the gains in the case of individuals and 12½ per cent of the gains in the case of companies. In case of liquidation of a company, any amount received by a shareholder on a bonus share is not liable to tax.

Then, the development rebate has been raised from 20 to 25 per cent. Then, capital gains tax exemption is given up to certain limits. When all these facilities have been provided for the corporate sector, it is surprising that the corporate sector is still not satisfied with the gains they have got in terms of taxation. They come forward still and make a complaint against the Finance Minister that he was not kind to them. It would be a preposterous allegation if we are to be told that the Finance Minister has not taken into consideration the needs of the corporate sector and provided fully for benefits so as to induce them to invest further.

I hope the corporate sector will appreciate the efforts taken by the Finance Minister in this direction and see the light of the day. Mr. Vice-Chairman, there is one proposition which has to be still understood. Of course the corporate sector has completely understood it. Being a very learned man, I would like the Finance Minister to enlighten us on this aspect of the matter. In spite of the fact that the direct taxes are levied as capital gains tax or surtax or income-tax, in certain aspects of consumer goods or in certain aspects of industries there exists an unqualified monopoly, and in such conditions of monopoly with an inelastic market in spite of the fact that we term it as a direct tax it is shiftable as in the

case of any indirect tax. This proposition both in theory and practice has been demonstrated fully in all underdeveloped countries and various economists of both India as well as Latin America, which is equally an underdeveloped country, are in complete agreement with this kind of analysis. Being a very able economist I would like the Finance Minister to enlighten people who are ignorant about the subject as to how far in conditions of monopoly in Indian economy, the direct taxes are not shiftable and how the price mechanism is not going to be affected notwithstanding the fact that the Finance Minister fervently hopes that the corporate sector would learn its lessons and see that it does not shift the tax burden on to the consumer. A reading of the speech of the Finance Minister goes to show that he is quite conscious of the fact of the shifting of the tax burden and I hope he will explain to us how the direct taxes would work in conditions of monopoly and an inelastic market.

Mr. Vice-Chairman, the next point I would like to refer is that the role of the public sector will have to be thoroughly understood. The public sector including the Railways have contributed so far about Rs. 161 crores to the public exchequer, and in the context of economic democracy and socialism which have been preached by Pandit Nehru and which we are expected to follow the role of the public sector cannot be minimised. It must have a predominant role in the context of economic development so as to face any crisis which the private sector may impose on the Indian people. The role of the public sector must be such that it must be able to deliver the goods commanding the heights of economy so as to provide all the necessary prosperity to the country. I might say in this context what Gunnar Myrdal said in his book "Economic Theory and Underdeveloped Regions". It is not merely the economic fact that counts. When we deal with questions of economy and various policies in relation to economic theory and practice, we will have to think in terms of the various social factors that go into the linking of equilibrium or disequilibrium in a given situation. He said:

"The notion that there are certain elements of social reality which can be characterised as "economic factors" and that the theoretical analysis can be rationally restricted to the interactions of those factors constitutes another unrealistic assumption. For it is precisely in the realm of that large part of social reality which is left outside the economic analysis by the abstraction from the "non-economic factors" that the equilibrium assumption falls to the ground. These non-economic factors cannot be taken for given and static; when they react, they normally do so in a dis-equilibrating way."

Mr. Vice-Chairman, we have seen the contents of the Mahalanobis Committee Report. No further evidence is necessary to show that a certain amount of concentration beyond expectation has taken place in the corporate sector, and the conclusions of the Mahalanobis Committee Report are quite clear. What is it that we have to learn from the Report of the Mahalanobis Committee and the conclusions drawn by him? Sir, what happens is, in the wake of development of a country where opportunities are provided to the people in the process of this development, there is a certain amount of exhilaration created, and in the course of being attracted by the exhilaration we are bound to forget certain basic factors of life, and if the present process of concentration as explained by the Mahalanobis Report is allowed to continue to grow unabated, then we would reach a stage where the present system of private ownership will certainly come into conflict with our conception of political democracy and economic democracy which have been so well advocated by Pandit Nehru in his speeches and in his writings. If that is the case, I would like to know what steps should be taken by the Government and what are the remedial measures contemplated by them in order to obviate the evil consequences that have been explained by the Mahalanobis Committee Report in relation to concentration and monopoly.

Mr. Vice-Chairman, there is yet another criticism that has been posed always. To what extent the Government must participate in private enterprise? There are re-

[Shri K. V. Raghunatha Reddy.] ference* in the Budget speech relating to th« Industrial Finance Corporation. th« Unit Trust of India and various other financial institutions started and financed by the Government of India. Always there has been an argument whether it is right for the Government to interfere with the existing private industries and finance them to a certain extent. There is an opposition also to this point of view. What exactly I would like to know is the answer to the argument when it is advanced. It is not a question of Government itnroduc-ing its money into the private sector or a particular company by way of buying shares, equity shares or preference shares, in the process of giving aid. What then exactly is the objection? By way of giving aid to the private industries without any corresponding liability in relation to its management, the Government finances come to be controlled by a private agency or enterprise for its benefit. It is not merely the question of income but the financial and managerial control and the consequent concentration of economic power that would ensue thereby creating a problem that will have to be faced by economists who believe in socialism. This aspect of the matter I would like the Government to take into consideration and see how this problem can be solved.

Mr. Vice-Chairman, the next aspect I would like to deal with is agricultural production. It doei not need any argument to state that agricultural production in this country must be improved. We have gone through a period of food crisis and day ia and day out we are speaking about increasing our agricultural production and the necessity for it. In this context I would like the Government and the House to remember that any planning in telation to agricultural production must not be viewed on regional considerations based on political exigencies. I do believe in regional plaiming as such but not in the location of an industry or extra favour to a particular region based on political exigencies or political expediency and not based on economic considerations. If that is the type of planning that is to be contemplated »r executed, then it is going to be only according to the saying "whoever cri«g mor» will .f#t more, whotvfvf is

silent will not get anything". This is what is happening in certain States. You might be personally aware that there are any number of projecti in Andhra Pradesh which have been technically approved, in relation to technical feasibility and the necessity according to the location as well as the rules of planning in the national interest. Certain projects which are still incomplete, as the Nagarjunasagar project or the Tungabhadra Canal project or other projects, are going through a process of stagnation due to the differences between the States of Mysore and Andhra Pradesh. It is very unfortunate that even in matters where national interests are involved, the small quarrels should come in the way and these projects should be stopped. Several lakhs of acres can b« immediately brought under cultivation provided these administrative bottlenecks are removed. I am told that the matters have been placed before the Central Government for their adjudication and help in the solution of these problems. I hope that they would take the necessary steps in the direction of a solution of this problem so that food production may become more important than the border quarrel between Mysore and Andhra Pradesh either in regard to the sharing of water or in regard to sharing of electricity. And equally, electricity is one of the predominant necessities which can be considered as one of the important raw materials for the process of production increase. I am told that there are many foreign exchange bottlenecks in the case of the Lower Sileru Project and the Upper Sileru Project in spite of the fact that these projects have in fact been approved by the Planning Commission.

After all, economic progress does not depend upon finances only. The financing or the budgeting must be considered to be a lubricant in economic planning, and it is the human resources and the way human beings act, which is more important for the purpose of development of the country than mere budget balancing itself. Budgeting must act as a lubricant for feci-litating development; budgeting itself will not solve the problem unless the human resources are mobilised and human action is mobilised.

श्री जगत नारायण (पंजाब) :
 उपसभाध्यक्ष महोदय, एक हिसाबदान ने एक गरीब आदमी से पूछा कि दो जरब दो कितना होता है। तो उसने कहा चार रोटियां। वाइस चेयरमैन साहब, मैं बड़े अदब से और आपकी वसातत में मिनिस्टर साहब की खिदमत में यह अर्ज करना चाहता हूँ कि उन्हें बेशक इस बात का बड़ा क्रेडिट मिला है कि उन्होंने जो बजट पेश किया है वह एक सोशलिस्ट बजट है, गरीबों का बजट है, लेकिन आप गरीबों से जाकर पूछिये कि वे इस बजट के बारे में क्या राय रखते हैं। 90 परसेंट लोगों को तो पता ही नहीं है कि बजट क्या होता है और क्या नहीं होता है क्योंकि उनको अपने खाने के लाले पड़े हुए हैं। किसी को आठ आना, किसी को दस आना और किसी को एक रुपया रोज मिलता है और यही वजह है कि वे लोग बजट के बारे में कुछ भी नहीं जानते हैं। जिसको मालूम है वह पूछता है कि क्या चीनी सस्ती मिलेगी, दियासलाई सस्ती मिलेगी, दाल सस्ती मिलेगी, गुड़ सस्ता मिलेगा, चावल सस्ता मिलेगा, तो इसके जवाब में उसे बजट में कुछ नहीं मिलता है। तो मैं अर्ज कर रहा था कि आज सारे भारत-वासियों के ऊपर टैक्सों का बोझ बढ़ता ही चला जा रहा है। मैं इस बारे में कोई एमिनेन्ट अथारिटी तो नहीं हूँ लेकिन एक बहुत बड़ा अमिनेन्ट अथारिटी है जिसने एक किताब लिखी है "The highest taxed nation". उन्होंने इस किताब के 93 पेज में जो कुछ लिखा है उससे साबित हो जाता है कि हिन्दुस्तान में सबसे ज्यादा टैक्स लगते हैं। मैं आपके सामने उसका एक पैरा पढ़ देना चाहता हूँ।

"In the book, 'The Highest Taxed Nation', within the small compass of 93 pages, the author, Mr. N. A. Palkhi-vala, an acknowledged authority on the subject, has sought to demonstrate that India is 'the highest taxed nation' in the

world. Taxes are not popular in any country, and there is no reason to think that any Indian would be proud of the dubious distinction of belonging to the most taxed country. But, knowing the dire poverty in which the majority of his countrymen live, he would be greatly surprised at such a discovery, Mr. Palkhi vala has set out to administer this shock to him. How does he do it?

"First, as regards earned incomes of individuals in India, he gives two tables comparing the percentages of income-tax with those in advanced countries (the UK, the USA, Canada and Japan) and in developing countries (Pakistan, Burma, Malaya and Brazil) for incomes from Rs. 10,000 to Rs. 3,00,000. This is followed by a comparative table of the rates of income-tax and wealth-tax in countries which believe in an egalitarian or a socialistic pattern of society. On the basis of these tables, he comes to the conclusion that our direct taxes on individuals are the highest in the world at the appropriate slabs, being excelled by some brackets only by Ceylon. An individual is assessed at the rate of 88.12 per cent on his unearned income above Rs. 75,000 per annum and at the rate of 82.5 per cent on his earned income above Rs. 1 lakh. In addition, there are wealth-tax, which goes up to 2.5 per cent, and expenditure-tax which touches 20 per cent."

यह तो एक अमिनेन्ट अथारिटी की राय है। इसके साथ ही मैं आपको यह बतलाना चाहता हूँ कि हमारे हिन्दुस्तान में एक इकोनोमिक साइन्टिफिक रिसर्च एसोसियेशन है जिसकी ब्रांच कलकत्ते में है। उन्होंने बहुत रिसर्च करके हिन्दुस्तान के टैक्सों के बारे में लिखा है। वे इस तरह से लिखते हैं :

"Income-tax in India and abroad.

1. There has been virtual stagnation in the Indian capital market during the last two years or so. Knowledgeable persons have attributed this to the high

rates of direct taxation now prevailing in India. On personal incomes exceeding Rs. 70,000 a year, the Income Tax and Super Tax in India work out to 88.125 per cent., which is the maximum rate. At that level of income, as will be seen from Tables I and II, the tax in the United States is only 39 per cent. Even in the United Kingdom it is only 69 per cent. The maximum rate of tax is attracted when the income exceeds Rs. 70,000 in India, while it is approximately Rs. 9½ lakhs in the United States, and Rs. 2 lakhs in the United Kingdom. The maximum rate itself is only 70 per cent in the United States, 53 per cent in West Germany, 65 per cent in Sweden, 67 per cent in Australia and 69 per cent in France and Greece. Only in the U.K. it is higher at 91½ per cent, but the incidence is considerably lightened by a liberal system of allowances and reliefs. In Japan and Sweden the law provides a ceiling of 80 per cent to the aggregate direct taxation. In India, in addition to the Income Tax, there is also the Wealth Tax, Expenditure Tax and Gift Tax, and the combined incidence is such that several assesseees actually bear total taxation of more than 120 per cent of their income."

मैंने यह बात उन लोगों के लिए बतलाई है जो कि हिन्दुस्तान के अन्दर रह कर अधिक इनकम करते हैं और इनकमटैक्स दे सकते हैं।

अब मैं आम जनता के बारे में आपसे कहना चाहता हूँ। जब मैंने उनसे कहा कि इस बजट से आप को कपड़ा सस्ता मिलेगा, जूते सस्ते मिलेंगे, साइकिल सस्ती मिलेगी तो कहने लगे अखबारों में ही हमने यह बात पढ़ी है। जब सरकार कहती है कि बजट में हमने जूतियाँ, कपड़ा और बाइसिकल के दाम कम कर दिये हैं, तो मैंने एक साइकिल मैन्युफैक्चरर से पूछा कि हिन्दुस्तान में कितनी बाइसिकलें हैं? तो उन्होंने बताया कि हमारा अन्दाजा है कि इस समय सारे देश में करीब

करीब 50 लाख साइकिलें होंगी। अब आप अन्दाजा कर लीजिये कि 45 करोड़ आबादी वाले देश में से 45 लाख लोगों को रीलिफ दिया गया है। मैंने एक बाइसिकल बेचने वाले से पूछा कि एक साइकिल में बजट की वजह से कितनी कमी हाँगी। तो उन्होंने कहा कि एक साइकिल में करीब 10 या 12 रुपये का रीलिफ मिल जायेगा अगर मैन्युफैक्चरर ने यह नहीं कहा कि हमने इस में कोई नया पुर्जा नहीं लगाया है, स्पीडो मीटर लगाया है। अगर वह इस तरह की बात कहना है तो फिर साइकिल में कोई भी रीलिफ मिलने वाला नहीं है। साइकिल में जो कन्सेशन दिया गया है उसको मदे नज़र रखते हुए 10 या 12 रुपये एक साइकिल पर रीलिफ होनी चाहिये। आप जानते ही हैं कि एक बाइसिकल की लाइफ करीब पाँच छः साल की होती है। तो आप इससे अन्दाजा लगा सकते हैं कि एक साल में करीब दो रुपये का रिलीफ मिला और एक महीने में करीब तीन आने का। अब आप ही इस बात का अन्दाजा लगा लीजिये कि यह कोई रीलिफ हुआ? इसी तरह से मैंने पूछा कि एक साइकिल के टायर के दाम में कितना फर्क पड़ेगा? तो उन्होंने कहा कि चार आने का यानी 25 पैसे का, क्योंकि एक टायर करीब एक साल तक चलता है। इस तरह से एक महीने में दो पैसे का रीलिफ मिला। इसके साथ ही साथ उन्होंने यह बताया कि अगर निकल के पालिश के दाम नहीं बढ़ाये जाते जो कि बजट में शायद बढ़ा दिये गये हैं तो कुछ रीलिफ मिल सकता है। अगर निकल के पालिश के दाम साइकिलों में बढ़ा दिये जायेंगे तो यह रीलिफ जो साइकिल के दामों में दी गई है वह भी नहीं मिलेगी।

इसी तरह से जूतियों के बारे में बजट में कुछ रीलिफ दिया गया है। अब्बल तो 45 करोड़ आबादी वाले देश में 50 परसेन्ट लोग जूते नहीं पहनते हैं। आप देहात में चले जाइये तो बच्चों को नंगे पांव देखेंगे और मजदूर

भी नंगे पांव रहते हैं। एक जूता साल भर चलता है अगर कोई गरीब आदमी जूता पहिनता भी है तो उसको केवल चार, छः आने का फर्क पड़ेगा। तो इस तरह से महीने में उसको दो पैसे का रीलिफ मिलता है।

एक्साइज रेवन्यू में जो रीलिफ की बड़ी चर्चा की गई है कि हमने इतना रीलिफ दिया है, उसके मुतालिक यह अर्थ करना चाहता हूँ कि 773 करोड़ ६० तो एक्साइज से वसूल होता है और जो रीलिफ दिया गया है वह सिर्फ 29.5 परसेंट ही है। यह कितना पड़ा? यह तो सिर्फ आधा परसेंट से ही कुछ ज्यादा पड़ता है, तो अब आप अन्दाजा लगा लीजिये कि कितना रीलिफ देने की कोशिश की गई है।

मैंने ये सारी चीज आपके सामने इसलिये रखी क्योंकि हमारी जो यह सरकार है वह कहती है कि हमारा जो बजट है वह सोशलिस्ट पैटर्न का बजट है, गरीबों का बजट है, लेकिन इसमें गरीबों के लिए कोई प्राविजन नहीं किया गया है। जिस तरह से मंहगाई पहले थी उसी तरह से वह चली आ रही है। कपड़ा जिस भाव पहले मिलता था उसी भाव आज भी मिल रहा है। उसी तरह से बसों के किराये भी वैसे ही हैं लेकिन रेलवे के किराये बढ़ा दिये गये हैं। इस तरह से तेल में भी इयूटी के बारे में कोई कमी नहीं की गई है। घी पर कोई इयूटी कम नहीं की गई है, दूध पर कोई इयूटी कम नहीं की गई है। लोग क्या समझते थे? लोग यह समझते थे कि शास्त्री सरकार आई है और यह सरकार आ कर के जो इतने ज्यादा टैक्स लगे हुये हैं, उनमें लोगों को रीलिफ देगी। मैंने पिछले दफा इस सदन में पंजाब के मुतालिक बताया था कि पंजाब में एक आदमी को 40 टैक्स अदा करने पड़ते हैं। तो 40 टैक्स अदा करने के बाद कोई आदमी कैसे जिन्दा रह सकता है? मैंने उसकी फहरिस्त पढ़ कर सुनाई थी। तो आज इतने टैक्स लग हुए हैं और जैसा मैंने आपको बताया कि उस एमिनेंट

अथारिटी की जो राय है, वह बिल्कुल दुरुस्त है कि जितने टैक्सेज यहां लग हुये हैं, उतने टैक्सेज और किसी मुल्क में नहीं हैं। लोग यह उम्मीद करते थे कि शास्त्री सरकार आई है और यह जरूर टैक्सों में कमी करेगी, लेकिन टैक्सों में कोई कमी नहीं हुई। यह ठीक है कि नये टैक्सेज नहीं लगाये गये, मगर इसके साथ साथ जो इयूटी लगाई गई है, उससे आप देखेंगे कि चीजें पहले से ज्यादा मंहगी लोगों को मिलेंगी। यह आपके सामने मैं इस लिये रख देना चाहता हूँ कि आपको यह पता लगे कि यह सरकार जो यह कहती है कि हमने टैक्सेज में छूट दी है, वह किस हद तक दुरुस्त है।

अब मैं आपके सामने यह कहना चाहता हूँ कि जहां मंहगाई का खतरा है, वहां पिछले दिनों यहां पर एक बड़ी लैंग्वेज की प्राब्लम खड़ी हो गई और उसके मुतालिक हर एक ने अपने अपने नुक्ते नज़र से इस हाउस में भी और उस हाउस में भी अपने खयालात पेश किये। मगर, वाइस चेयरमैन महोदय, मैं भी अपना एक नुक्ता निगाह आपके सामने रखना चाहता हूँ। मेरी बहन, इंदिरा गांधीजी, ने पटना में एक इंटरव्यू दिया था। यह भाषा सम्बन्धी जो झगड़ा वहां मद्रास में हुआ था, उसके मुतालिक उन्होंने कुछ बातें कहीं थी। उसका अखबार ने यह हेडिंग दिया था :

"Press Blamed for Language Riots."

आगे फिर यह कहा :

"Patna Feb. 20: Mrs. Indira Gandhi, Union Minister for Information and Broadcasting, said here today that much of the bitterness in the language controversy would have been avoided if the Press would have told "undiluted" truth about the language policy and exercised restraint."

उन्होंने सारी जिम्मेदारी प्रेस पर डाली है। मैं एक प्रेसमैन हूँ और अखबार में एक लीडर राइटर हूँ। मैं बड़े अदब से आपकी खिदमत

[श्री जगत नारायण]

में यह कहना चाहता हूँ कि अखबार वालों का क्या कसूर है ? आपने जिम्मेदारी अखबार वालों पर डाल दी, यह कहाँ तक सच्चाई पर बनी है ? यह आप पूछिये, कैसे ? यहां पर चीफ मिनिस्टर्स की कांग्रेस हुई और उन्होंने फैसला किया कि 26 जनवरी के बाद हिन्दी लागू होगी तमाम महकमाजात में। अखबार वालों ने दयानतदारी से उसको छाप दिया। उसको डाइल्यूटेड नहीं छापा, अनडाइल्यूटेड छापा। फिर उसके बाद में क्या हुआ कि नन्दा साहब ने ब्राडकास्ट किया और उसको भी उन्होंने वैसे ही छापा, जैसा कि उन्होंने ब्राडकास्ट किया था। फिर हमारे प्रधान मंत्री जी ने ब्राडकास्ट किया और उसको भी उसी तरह से अखबार वालों ने छापा, जिस तरह से प्रधान मंत्री ने ब्राडकास्ट किया था। उसके बाद क्या हुआ कि कामराज जी ने केरल में एक बयान दिया कि अगर हिन्दी में यहां कोई सर्क्युलर आये, तो उसको फक दो, उसको डस्ट बिन में फेंक दो। उसको भी दयानतदारी से उन्होंने वैसे ही छाप दिया। उसके बाद क्या हुआ कि रायट्स हुये और मद्रास के चीफ मिनिस्टर ने एक बयान दिया और उसको भी अखबार वालों ने दयानतदारी से छाप दिया। उसके बाद यहां क्या हुआ कि मुब्रह्मण्यम् और अलगेसन साहब ने इस्तीफा दिया और वह भी अखबार वालों ने दयानतदारी से छाप दिया और उन्होंने अपनी तरफ से कोई टीकाटिप्पणी नहीं की और जब उन्होंने इस्तीफा वापिस लिया, तो वह भी दयानतदारी से छापा, कोई उसमें डाइल्यूशन नहीं किया और उसको अनडाइल्यूटेड ही छापा। इसमें अखबार वालों का क्या कसूर है ? असल कसूर तो उनका है जो कि हमारी बजारत के अराकीन हैं। मैंने उस दिन अपने पूजनीय प्रधान मंत्री की स्पीच सुनी। उन्होंने कहा था कि हमारी बजारत में किसी किस्म की कोई गैरइतिफाज़ी नहीं है और हमारी बजारत बिल्कुल ठीक तरीके से चल रही है। उनसे सबाल किया जा सकता है कि आपके

पूछे बगैर मुब्रह्मण्यम् साहब और अलगेसन साहब ने इस्तीफा क्यों दिया ? जब कि आपकी पालिसी ठीक चल रही थी, आपकी बजारत ठीक चल रही थी, तो वे क्यों मुस्तीफी हुये ? इससे साफ नज़र आता है कि उनकी बजारत में उतना तालमेल नहीं है, जितना कि तालमेल होना चाहिये। फिर मैं नहीं मान सकता इस बात को कि चीफ मिनिस्टर्स की कॉफेंस में जो यह फैसला हुआ था मुत्तफिका तौर पर कि हिन्दी लागू होगी, उसमें कामराज जी का मशवरा नहीं लिया गया होगा। उनका मशवरा जरूर लिया गया होगा। उनके मशवरे के मुताबिक सारी बात की गई होगी। मैं इस बहस में नहीं पड़ना चाहता कि यह स्लो तरीके से चलना चाहिये या तेज़ी से चलना चाहिये, मगर मैं एक खतरा आपको बतलाना चाहता हूँ, वाइसचेयरमैन महोदय, जो मैं चाहता हूँ कि आप अपनी बसातत से पटुंचाने की जरूर कोशिश करें बजारत के कानों तक। वह खतरा क्या है ? जब चाइना ने ऐग्रेसन किया, उस वक़्त सबसे पहले मैंने अपने अखबार में लिखा था कि यह जो चाइना का हमला हुआ है, यह हिन्दुस्तान की एक पार्टी के इशारे से हुआ है।

सरदार रघुबीर सिंह पंजहजारी (पंजाब) : यह उर्दू में लिखा था या हिन्दी में ?

श्री जगत नारायण : उर्दू में लिखा था और आप चाहें तो वह अखबार मंगा कर के देख सकते हैं। तो मैंने लिखा था कि एक पार्टी के इशारे से हुआ है और वह पार्टी क्या चाहती थी, वह मुझे पता था। हम उनकी बातें सुनते थे और सरगोशियों में वे कहते थे कि आसाम और कश्मीर को चीन को फतह कर लेने देंगे और फिर वहां पर हमारी कम्युनिस्ट सरकार बनेगी और एक नाम निहाद सरकार, जिस को पीपुल्स गवर्नमेंट कहेंगे, वह उसी तरह हिन्दुस्तान को अपने कब्जे में करेगी और हिन्दुस्तान में राज करेगी, जिस तरह से माओ ने चीन में आहिस्ता-आहिस्ता

सारे चीन को फतह किया। यह मैंने उस वक्त आज से ढाई साल पहले लिखा था। आज भी, वाइस चेयरमैन महोदय, मैं आपकी बसातत से इस सरकार को मुतनब्बा करना चाहता हूँ कि यह जो भाषायी फसादात हुये हैं, यह भाषा की वजह से नहीं हुये हैं। अगर भाषा के फसादात होते, तो केरल में फसाद क्यों नहीं हुये? केरल में जो बाय कम्युनिस्ट थे, वे अपनी फतह में लगे हुये थे कि हमें इतनी सीटें हासिल करनी हैं। तो यह फसादात इसी मंशा से किये गये थे कि हम हिन्दुस्तान में जबरदस्त बदअमनी पैदा कर देंगे, खाना बंगी पैदा कर देंगे, और फिर चीन और पाकिस्तान मिल कर के हिन्दुस्तान पर हमला करेंगे और यहाँ पर कम्युनिस्ट हुकूमत बनायेंगे। इसके लिये मैं आपको मुतनब्बा करना चाहता हूँ और फिर इसका सबूत बड़ा सीधा है। हमारे नन्दा साहब ने बहुत देर के बाद यह कहा है, जो कि इस "हिन्दुस्तान टाइम्स" अखबार में लिखा है :

"Chinese Embassy helped Reds in revolution Plan."

वह बड़ा साफ लिखा है। वाइसचेयरमैन साहब, आप बड़े जहाँ बीदा हैं, बड़े पड़े लिखे हैं, बड़े लायक आदमी हैं, क्या कभी आपने तारीख में यह देखा है कि जिस मुल्क ने किसी मुल्क पर ऐगेशन किया हो उसका 20 हजार मुरब्बा मील इलाका अपने कब्जे में कर लिया हो, उसकी इम्बेसी उस मुल्क में हो जिसका एक हिस्सा उसके कब्जे में हो। यह हिन्दुस्तान की ही राजनीति है। पता नहीं वह किस किस्म की राजनीति है कि यहाँ पर चाइनीज इम्बेसी खुली हुई है और सब बातें बाकायदा चल रही हैं। हमारे होम मिनिस्टर साहब इसको खर बख्शीय करते हैं और फिर रेड्स

को पकड़ते हैं। अगर आज से ढाई साल पहले ही उनको अपने काबू में करने की कोशिश करते, तो आज हिन्दुस्तान का नक्शा ऐसा नहीं होता, जैसा कि हम देख रहे हैं। मैं बड़े भदब से आप से कहना चाहता हूँ कि पता नहीं यह कागजात आपकी नजरों से गुजरे हैं या नहीं। आज चाइनीज इम्बेसी इतनी बोलूड हो गई है कि वे क्या कर रहे हैं :—

"Chinese Embassy Plot the Biggest Tenders to be invited shortly.

"Communist China proposes to complete its unfinished Embassy building in the heart of Diplomatic Enclave in New Delhi.

"Tenders for work amounting to some thing approximating Rt. 50 lakhs are likely to be invited soon, it is learned. Building work was suspended in fate of the outraged Indian sentiment after their attack in October 1962

आगे सारा पढ़ने की जरूरत नहीं है। मैं पिछला हिस्सा पढ़ कर सुना देता हूँ :

"According to official sources, the plot has been given to the Chinese on * 99-year lease with a commuted ground rent of Rs. 12,26,800 for the first 30 year. The rent is subject to revision after every thirty years. The Americans pay for the same period Rs. 11,18,8 81 and the Russians Rs. 8,73,240.

"The Chinese pay only Rs. 300 a month extra for the extra SEVEN acres of land they have in an area where the price of land is as high as Ri. 600 a square yard or about Rs. 130 lakhs aa acre or Rs. 2 crores for the EVEN acre."

आज वह एक बिल्डिंग खड़ा करने लगे हैं और आप इस खतरे के अपनी आँखें बंद रहे हैं कि एक सेलाब आ रहा है और उन्होंने जो यह भाषा को सामने रख कर के तजुर्बा किया, उनका वह तजुर्बा एक ही बात पर मबनी था कि हम देखें कि हम किस तरीके से इस यूनिवर्सल सरकार

[श्री जगत नारायण]

को झुका सकते हैं और वाकई उन्होंने झुकाया और हमारी सरकार झुकी और हमारी सरकार ने कहा कि आप जिस तरह से कहोगे, हम करने को तैयार हैं। यह उनका पहला ट्रायल है। आप देखेंगे कि दो तीन साल में वे और ट्रायल भी करेंगे। (समय की घंटी)

यह भी किसी सरकार के राज्य में हो सकता है कि सी० आई० डी० की रिपोर्ट, कैंबिनेट सब कमेटी की रिपोर्ट इस तरह से चोरी हो कि सरकार अभी तक मालूम न कर सके कि किसने चोरी की है। मैं उस रिपोर्ट के इन्तबास को पढ़ना नहीं चाहता, मगर मैं एक बात कहना चाहता हूँ कि यहाँ पर हिन्दी भाषा के मुताल्लिक बहस हो रही थी तब हमारे प्राइम मिनिस्टर ने कहा कि हम पंडित जवाहरलाल नेहरू ने जो एश्योरेंस दिए हैं उनको पूरा करने की कोशिश करेंगे...

श्री महावीर प्रसाद भार्गव: (उत्तर प्रदेश): लेकिन घर के चोरों का पता लगाना बड़ा मुश्किल है।

श्री जगत नारायण : पता लगाना क्यों मुश्किल है, कि हम आई० जी० को कहें कि हम तुम्हें मुअत्तल कर देंगे तो वह आप सब खोज कर के निकाल देंगे, जैसा कि प्रेसों के जमाने में कहते थे कि मुअत्तल कर देंगे अगर यह पता नहीं लगा कि किसने कत्ल किया तो दो दिन में पता चल जाता था। लेकिन यहाँ सबा महीना हो गया है और कैरों के कातिल का पता किसी को नहीं मिल रहा है।

तो, वाइस चेयरमैन साहब, मैं यह कह रहा था कि यहाँ पर यह एश्योरेंस किया गया कि भाषा के मुताल्लिक पंडित जवाहरलाल नेहरू ने जो एश्योरेंस दिए हैं उनको पूरा करेंगे—अगर उसको पूरा करेंगे

तो मुझे इस बात की बड़ी खुशी होगी—मगर इसके साथ मैं प्राइम मिनिस्टर की खिदमत में यह भी अर्ज करना चाहता हूँ कि जहाँ वह पंडित नेहरू की यह एश्योरेंस पूरी करना चाहते हैं वहाँ वह उनकी दूसरी एश्योरेंस भी पूरी करें। आप कहेंगे किस तरह। तो वह यह है कि कैरो के मुताल्लिक उन्होंने दाम कमीशन मुकर्रर किया, पंडित नेहरू ने अपने हाथों से इसको मुकर्रर किया तो फिर मैंगूर के मुताल्लिक भी 32 लेजिस्लेचर्स ने लिख कर प्रसिडेंट को दिया है तो वहाँ के लिए भी कमीशन मुकर्रर किया जाय। पंजाब के अपोजीशन के 20 नेताओं ने, डिगिडेंट कांग्रेस वालों ने दिया तो कमीशन मुकर्रर किया। तो फिर क्या हुआ था। दाम कमीशन को मुकर्रर करते हुए पंडित नेहरू ने अपनी चिट्ठी लिखी थी कि मेरी यह राय है कि कैरो बेगुनाह हैं। तो मैं कहता हूँ कि आपकी जो फाईडिंग है, सी० बी० आई० की रिपोर्ट है, सारी जो कैंबिनेट की फाईडिंग है वैसी ही रखिए, सब रिपोर्टों को भेजिए और कमीशन मुकर्रर कीजिए। श्री पटनायक और श्री वीरेन मिश्र के लिए कमीशन मुकर्रर कीजिए और इसी तरह श्री निर्जलिंगप्पा के मुताल्लिक भी कमीशन मुकर्रर करिए। आप यकीन रखिए की जितनी अच्छी इज्जत लालबहादुर शास्त्री और नन्दा जी को दाम कमीशन के फैसले को अमल में लाने के लिए, उसे आगे बढ़ाने के लिए, उस वक्त मिली थी, उससे ज्यादा इज्जत मिलेगी अगर यह कमीशन मुकर्रर कर दिया उड़ीसा के मुताल्लिक भी और मैंगूर के मुताल्लिक भी।

सरदार रघुबीर सिंह पंजहवारी : लेकिन अब यह अपोजीशन के हाथ में नहीं देंगे।

شہری عبدالغنی : نہیں آپ کے ہی
ہاتھ میں باقی رہے بھائی -

†[श्री अजित राय : नहीं आप के ही
हाथ में बाकी रहे भाई ।

श्री जगत नारायण : वाइस चान्सेलर साहब, मैं आपकी खिदमत में यह बात अर्ज करना चाहता हूँ कि आज हालत क्या है ? मैंने आपके सामने अर्ज किया कि चाइना एम्बेसी को बन्द करने की कोशिश नहीं की जा रही है । अब यहाँ पर पाकिस्तान क्या कर रहा है ? आज कच्छ के इलाके में वह आगे बढ़ रहा है, इस हाउस में माना गया है कि आगे बढ़ रहा है । इसी तरह से नागा लोग नागालैंड में बढ़ रहे हैं । यह मिल-जुलना कब तक चलेगा । क्या हमें आज पाकिस्तान से भी मार खानी है, क्या नागालैंड में नागाओं को घुसने देना है ? तो फिर फरें पालिसी कैसे चलेगी ? इसको आपको बदलना पड़ेगा । मैं नानएलाइनमेंट पालिसी के तर्क में हूँ मैं समझता हूँ कि यह ठीक है, आपको नानएलाइनमेंट की पालिसी पर कायम रहना चाहिए, लेकिन मैं बड़े अदब के साथ सवाल करता हूँ कि जिस वक्त चाइना ने एग्जेशन किया था, जिस वक्त चाइना ने हमला किया था, उस वक्त क्या पंडित नेहरू ने रूस से कहा था कि वह हमारी मदद में आए ? उस वक्त उन्होंने इंग्लैंड और अमेरिका को अपनी मदद में बुलाया था । तो क्या उन्होंने नानएलाइनमेंट पालिसी को छोड़ दिया था ? तो यह जरूरी नहीं है कि हर मौके पर उसी नानएलाइनमेंट पालिसी पर अपने को कायम रखें । तो मैं कहना चाहता हूँ कि नानएलाइनमेंट पालिसी को

†[] Hindi transliteration.

रखिए लेकिन जब इसको बदलने की जरूरत हो तो इसको बदलने की कोशिश कीजिए ।

अब, आज बड़ा जोर लगा रहे हैं, बड़ा कहा जा रहा है कि हमें काला धन वसूल कर लेना है । फाइनेंस मिनिस्टर साहब ने कहा कि जो काला धन पेश कर दे उसका 60 फीसदी गवर्नमेंट रख लेगी और 40 फीसदी उसके पास रहेगा । मैं समझता हूँ कि काला धन को इस तरीके से वसूल करने की जितनी गलत यह पालिसी है उससे ज्यादा गलत पालिसी कभी कोई सरकार अख्तियार नहीं कर सकती है क्योंकि इस तरह आप उनको प्रोत्साहन देते हैं कि काला धन आप अपने पास जमा करते जाओ जब मौका आवेगा आपसे वसूल कर लेंगे, 60 फीसदी ले लेंगे और 40 फीसदी आपके पास ही रहेगा । यह काला धन क्या सिर्फ व्यापारियों के पास ही है ? अगर आप पंजाब का चक्कर लगाइये, पंजाब की जनता से पूछिए, तो आप सुनेंगे कि कैरो बजारत के चार-पांच बजारी के पास लाखों करोड़ों का काला धन पड़ा हुआ है, तो आप यह कैसे निकलवायेंगे । फिर आज सरदार कैरो के मुतालिक एक थ्योरी चल रही है कि उनके पास करोड़ रुपया से भी ज्यादा था और उन्होंने किसी के पास वह रख दिया और यह मुमकिन है कि उन्होंने कैरो को मरवा दिया । एक थ्योरी पुलिस की यह भी चल रही है । तो मैं बड़े अदब से.....

सरदार रघुबीर सिंह पंजहजारी :
आन ए प्वाइंट आफ इंफॉर्मेशन, सर । हमारे लाला जी को कैसे इस थ्योरी का पता चला कि पुलिस की यह थ्योरी चल रही है ? क्या आप पुलिस के साथ मिले हुए हैं या कातिल के साथ मिले हुए हैं ?

श्री जगत नारायण : आप अपने पुलिस वालों से जाकर पूछिये कि आया एक थ्योरी यह भी चल रही है या नहीं चल रही है ।

[श्री जगत नारायण]

आज किस तरह उन्हें हीरो बनाया गया है, उसके सम्बंध में मैं कहना चाहता हूँ कि चन्द दिन पहले, कत्ल होने से पहले, सरदार प्रतापसिंह कैरों हीरो नहीं थे, उनके मुताल्लिक कहा जाता था कि इनसे इस्तीफा ले लेना है, इनको कांग्रेस से भी रिटायर कर देना है, कत्ल होने के बाद इनको हीरो बना दिया गया और आज उनके सुपुत्रों को हीरो बनाया जा रहा है और वे कहते क्या हैं ? हम सारी जायदाद देने को तैयार हैं । वाइस चेयरमैन साहब, उस जायदाद की भी रूईदाद आपके सामने रखना चाहता हूँ कि वे क्या देना चाहते हैं । छः सिनेमा देना चाहते हैं, तीन कोल्ड स्टोरेज देना चाहते हैं और एक चंडीगढ़ का अपना मकान देना चाहते हैं । इन छः सिनेमाओं में से एक सिनेमा फरीदाबाद में है जिसको बेच कर उन्होंने साढ़े नौ लाख रुपया बसूल कर लिया है, एक सिनेमा, प्रकाश सिनेमा, अमृतसर में है जो उनके फुफड़ के नाम है, और सुरेन्द्र कैरों की बीबी के नाम है, वह उसमें आता नहीं है । तीसरा सिनेमा पटियाला में है और चौथा सिनेमा हिसार में है, पटियाला वाले पर मुकदमा चल रहा है और हिसार का सिनेमा बेनामी है, उनके साले के नाम है । इस तरह से चार चले गए, दो सिनेमा रह गए.....

श्री जहाबीर प्रसाद भार्गव : कहते हैं कि बेनामी भी उसमें शामिल होंगे ।

श्री जगत नारायण : ऐसा अभी नहीं दिया है, जो दिया है वह कह रहा हूँ । अब, जो तीन कोल्ड स्टोरेज हैं उनमें से एक कोल्ड स्टोरेज गवर्नमेंट ने अपने कब्जे में कर लिया है और दो कोल्ड स्टोरेज के लिए इन्कमटैक्स का केस चल रहा है.....

सरदार रघुबीर सिंह पंजहवारी : वाइसचेयरमैन साहब, मैं लाला जी से यह कहना.....

श्री जगत नारायण : आप क्यों टोकते हैं । मैं यह कहना चाहता हूँ कि यह जो जायदाद पेश कर रहे हैं वह इसलिए पेश कर रहे हैं कि वे उन मुकदमों से बच जाय जो कि इन्कम-टैक्स और सेल्सटैक्स के मुकदमे चलाए जा रहे हैं । यह इन्कमटैक्स और सेल्सटैक्स कितना बनता है ? उन्होंने तसलीम किया कि 20 लाख की प्रापर्टी बच जायगी । पहले उन्होंने मंजूर किया था कि हम 50 लाख की प्रापर्टी आफर कर रहे हैं । लेकिन अगर सरकार हिसाब लगाए, गिनती करे तो मालूम होगा, जो मैंने सुना है वह मैं बताता हूँ, जो इन्कमटैक्स और सेल्सटैक्स के आफिसर गिनती करते हैं उससे उनको इस प्रापर्टी पर 70 लाख रुपया देना है जो कि वह आफर कर रहे हैं । तो मैं अर्ज कर रहा था कि यह जो आफर हो रहा है वह मुकदमों से बचने के लिए है, फिर यह टेंटेड मनी है इसको हाथ मत लगाइये, जिस ढंग से यह रुपया एकट्ठा किया गया है कि यह सरकार को ले बैठगी, यह टेंटेड मनी है इसको हाथ न लगाइये, क्योंकि अगर आपने ऐसा किया तो आपके लिए इसकी जबाबदेही देना मुश्किल हो जायगा । मैं उनका दुश्मन नहीं हूँ, जब आदमी मर जाता है . . .

उपसभाध्यक्ष (श्री छक्करछानी जी) : आपका बक्त हो गया ।

شری عبدالغنی : ان کا ٹائم نو ابھی باقی ہے - کچھ آپ نے لیا کچھ انہوں نے لیا -

†[श्री अजुल खानी : इनका टाइम तो अभी बाकी है । कुछ आपने लिया कुछ उन्होंने लिया ।]

उपसभाध्यक्ष (श्री छक्करछानी जी) : नहीं, अब नहीं । मेहरबानी है । बीकए ।

† [] Hindi transliteration.

SHRI BIREN ROY (West Bengal): Mr. Vice-Chairman, I think on a discussion of this Finance Statement in this House we are completely in an unreal atmosphere for the fact that we can neither suggest a reduction nor even an increase in taxation and not only that, even our prior discussion in this House has been objected to in certain quarters. But this should be taken at least in view by the Government that unless this House has a prior discussion, the Budget which will be discussed in the Lok Sabha along with the Grants and so on and they will come to a certain decision and then if any discussion takes place afterwards in this House it will be more and more unreal. Already this is partly unreal but this will be completely so and the Members' views will be practically neglected and they need not then speak at all. That will be the state of affairs. 4 P.M. Therefore this House should always have the priority in the discussion of the Budget. Sir, we represent the States and therefore, in the fitness of things, we should rather bring up the picture of the States' finances, as compared, and as also allowed by the Centre over here. That should be the position which we must focus, because the Centre's Budget will be rather the subject of the Lok Sabha Members.

Now with this all-India character the first thing that strikes me in regard to my State, practically the problem State in India, and the problem city of Calcutta, the latter so because Calcutta city and its environs comprise practically 25 per cent of the whole of the population of West Bengal State today and there the problems are mounting up so much that unless the Centre comes to the help of the State with a lot of finance, within the next decade these will be so grave that neither the Centre nor the State nor anybody there then would be able to overcome. For the very fact that this city and the port are groaning under a heavy burden and also because another port is needed to handle the traffic, they have asked the Centre for more help. Already (the State is saddled with a debt, in relation to the Central Government and the other central financing institutions, to the extent of nearly Rs. 425

crores, and to the public in West Bengal to the extent of Rs. 64 crores. By the end of March, 1965, this will amount to nearly Rs. 500 crores. This will be the debt of this one State alone, in spite of the fact that from this very State nearly one-third of the whole of India's total collections of income-tax and excise duty and foreign exchange earnings accrue. Also the Calcutta port itself is practically serving the whole of eastern India up to eastern U.P., right up to Banaras, and it has got to be developed and kept up. Not only that. Today Calcutta and its environs also have one-third of their population coming from other States of India, not of Bengal, and therefore one should see that West Bengal is more an Indian State and not just * Bengalee State today. This is the picture, and with this picture in view the Finance Minister and the Finance Ministry should be more and more helpful to the Stat* and see that its growth is maintained and its problems solved.

[THE DEPUTY CHAIRMAN in the Chair]

The Finance Minister should be congratulated only on two ;x>ims, for his jugglery in making the Budget today not a deficit one; it is just out of it. But he has done one very good thing and it is that he has simplified the taxation structure; in means that for us the assessee and even for the income-tax lawyers, the calculation work has been made very much simpler. But there are still certain anomalies, which he has not removed. I do not know why he did not. He has not taken up and solved one problem, which is a residue of the old trouble, which is about the Compulsory Deposit. He has doMe that up to Rs. 150; he should have take* it away completely or arranged for its adjustment in the payment of the future. Annuity Deposit. It would have been s» much easier if it were done so. Otherwise what would happen after five year* or ten years, nobody can say. One should be very careful to keep safe their pass-books for the Compulsory Deposits mad*. I do not know how many people would lose the pass-books and lose the money.

Now coming to the problem of helpiat my State, the Centre mitht say that they are alao m debt. Ye», it it true, a«d

[Shri Biren Roy.] we find that the internal liabilities are also going up. From the Budget we find it comes to a total of nearly Rs. 618-50 crores, and in the same Budget he assumes a debt credit accruing from outside sources of another Rs. 668-86 crores. Besides this, we have already, as far as we can find out from other papers, to repay within the next ten years, 24H5-6 million dollars as principal, (roughly Rs. 1200 crores) and 1153-6 million dollars as interest, (roughly Rs. 460 crores), making a total of 3639-2 million dollars. It is a very big sum. Now the question is: Are we going to continue to live in this state of affairs, where we have to go to beg and borrow all the time? The Finance Minister has suggested a certain new idea of course and he has made room for the inflow of private foreign investment into India, because without capital we cannot develop, our country cannot develop further. Does that mean also that gradually we will also curtail all our loans and debts in future? If that is so, then it is a better idea. If that is not so, does it mean only this that we shall take, far all time to come, more aid and more loans and at the same time allow the foreign capital coming in to take away its profits on: of India? Weil, that will be a dangerous state of affairs. It is really regrettable that we go abroad for loans and we find that even smaller countries like Denmark, Belgium, Czechoslovakia and so on, countries which are no bigger than any State of India, are giving us loans and help, and, as I said, it is regrettable that we cannot develop and live within our own resources. The people here are not so foolish. If our people, if they are properly enthused, they can, with some more technique and other things, certainly they can take over many things and do it. But then we have so much of red tape and, I should say, so much of control and other restrictions that they just cannot do it. We have of course democracy, but we have too much of control, which retards freedom to develop.

Now coming next to the subject on which I also want to speak—States' finances—I may refer to the coming report of the Finance Commission—Now the

Finance Minister might reply and say that he has nothing to do with the report or with the decisions of the Finance Commission. I will say that he can do a lot there. He can certainly influence it. After all he is the chancellor of the exchequer of India and he can suggest the proper allocation to the States on the basis of the revenues raised in each State. Now we find that, gradually, although the yield from the corporation tax has gone up from Rs. 87 crores in 1955-56 to Rs. 386 crores in this Budget, and the non-corporate source of income-tax has gone up from Rs. 131 crores in 1955-56 to Rs. 294 crores in this Budget, the States' share has not increased in this proportion, and I do not think it is going to be raised even in the coming Finance Commission report; I think more and more will be retained here at the Centre. Also in the matter of the excise duties we find that whereas it was levied only on 3 items in 1951-52, it rose to cover 35 items in 1962-63 and yet the payable divisible percentage was reduced from 40 per cent, to 20 per cent, and from the divisible excise pool the State of West Bengal, although a large sum by way of excise duty was got from that State, got only 5-07 per cent, of the divisible sum, and from the actual figures we find that this is only decreasing, not increasing, whereas the Centre's finances are increasing. Now supposing the process is reversed as in West Germany. There the Federal Government does not take away the whole income-tax or the excise duty or any such thing and then distribute it. There it is the States, it is the prerogative of the States; they realise all these taxes and from the total collection, through the agency of a Finance Commission or by way of a percentage the Centre is given the money—then in that case we do not know what the position will be. Then perhaps the States will not be in this position of a beggar, or in the position of being so much indebted to the Centre, and perhaps the Centre may then be indebted to the States. Then the thing will be in the reverse gear. Certainly we cannot do it, I agree, but then the revenues should be distributed in such a way as is fair to the States in proportion to the income got therefrom. As I said, especially my State is a problem State where one-third of the population comes from all over India, and

another 10 to 11 per cent are refugees from Pakistan, and where all this population is concentrated in a very very small area, in the city of Calcutta and its environs which we cannot build up, enlarge, to meet the requirements of the people with our own resources. The World Bank and others are coming to the rescue a little bit, but it is not much. This is a big centre and this cosmopolitan area will perhaps grow into something much bigger and in the future it will add very much to the coffers of the whole of India and bring a lot of more money to India than it is doing now. Therefore, it is important and very urgent from this point of view that this city should be helped.

Coming now to my subject of aviation, a subject which perhaps nobody else will speak on, I shall touch on it a little as the time is short. I am very sorry to state that even from 1962 to 1965 even during this period we have not realised that we should have a very big base from which we can continue to recruit our pilots. I have been stating in this House and also in the Lok Sabha when I was there, that during the period from 1928-29 to 1939-40, even when the Britishers were here, we trained more pilots for civil aviation than we have been doing after attainment of independence, from 1947-48 up till now. What is this? Only five-six aero-clubs were then active whereas five years ago when we have nearly 15 we were promised that there will be at least a doubling if not a trebling of this figure. Today we have only 18 flying clubs of which 6 are allowed to train up airmen or pilots who can be recruited into the Air Force. The Air Force have their own colleges, of course, and that is right. But we can in India, in such a vast country, have at least a hundred Flying and Gliding clubs and we can produce at least 2,000 to 3,000 civil pilots per year from whom later on you can train up men for the Air Force, the best of them. I suggested, therefore, that in all these flying clubs persons between the ages of 18 and 24 or 25 should be given preference first and trained. Persons who are more than 30 years, which means that they cannot be later recruited into the Air Force, should not be allowed prior training or in any case given subsidy,

because that money will be completely wasted. If this money is saved and used for reorientating our flying clubs' training and for giving more and more aid to these persons in the age group between 18 and 25, then we can build up many more pilots from whom our Air Force personnel could be recruited.

We are not also having many trained engineers; nor are we thinking of the future, of the sonic age. *(Time belt rings)*. Another five minutes, Madam, and I will be finishing.

THE DEPUTY CHAIRMAN: You have taken over fifteen minutes.

SHRI BIREN ROY: Just five minutes more. This is a subject, Madam, on which nobody, perhaps, will be speaking. I shall be as brief as possible. As far as airports are concerned, we have only four airports in India, Calcutta, Delhi, Bombay and Madras. Within the next five years when the sonic age will be ushered in, we will see that except Bombay, which up till now was the worst, because I agree that the terminal building is the worst, the others will be unsuitable. At Bombay the jets (Sonic) will be coming from over the sea and their boom will be over the sea and nothing will worry anybody nor anything damaged at Bombay and the people will not be disturbed. But in Delhi and Calcutta unless we have the aerodromes further out in a distant area where there are not so many of inhabited places, there will be real difficulty, and you cannot get airports of this type to use these sonic planes because of the blast and the frequent sounds of the Sonic Booms. These will not only disturb the people but even your hospitals might have their windows smashed out. But that is a thing which our Civil Aviation Department is not yet thinking of. In Madras also a new aerodrome can now be built. That will be the best way because from all the Southeast Asian countries and also Australia and even Japan, Sonic Jets will be able to fly in over the sea and they will have the advantage at Madras that their booms will be over the sea. When the plane is near-ing land the bang will be already over the sea and nothing will be damaged because while coming into the area from the

[Shri Biren Roy.] stratosphere at about 80,000 ft. down to 30,000 ft. the bang occurs and the Jets will then be some 50 miles away over the sea. In Calcutta and Delhi from the city proper, therefore, because of the Sonic Boom trouble the aerodromes should be at least some 30 miles away not near inhabited area. From these airports then helicopters or other small planes can take the passengers into the city. If this matter is not thought of even from now, we shall not be sooner in the Super Sonic age, although we have booked planes for Air-India already in the United States of America as well as in France for both the U.S. Supersonics and the Concorde respectively.

I stop here today, Madam, as you point out I have far exceeded the time. Thank you.

THE MINISTER OF PLANNING (SHRI B. R. BHAGAT): Madam Deputy Chairman, while listening to the debate one gets the unmistakable feeling that this year's Budget has been received with all round satisfaction and therefore, the task for me when intervening and replying to some of the points is somewhat easier. If I may add my own opinion to those already expressed here, I may say, Madam, that this year's Budget in many respects, is a land mark and it will set the pattern for at least the Fourth Plan. I think the proposals and the philosophy behind these proposals should be reviewed in this respect. Still there have been many, not many but a few, I should say, doubting Thomases of different varieties and they have tried to express their doubts about some of the proposals according to the colour of their political and economic philosophies and I would like to deal with some of those doubts. For example, it was said that although the tax relief is all-round, it does not go very deep in each item. Therefore one may take it that though there is the feeling of satisfaction that there has been some relief all along the line, it does not satisfy the various sectors. Those who profess to speak for the common man say that it does not benefit the common man, and those who speak for the corporate sector and for the business group, say that it does not go far enough to stimulate a MOM of security and a MOM of enterprise

among them. I think, Madam, this what I call an angular view of these proposals, which sees only through one aspect the kaleidoscopic picture and I will try to put before the House the integrated picture and the background with which the Budget has been framed. I think the House would appreciate the courage and the boldness of the Finance Minister when it realises in what context he has come out with his proposals. Not only is it a complete break from the past but it is something more. Since independence we have soon the economic spiral of taxation and the growing burden and rightly there was great clamour for relief. Not only that but at this particular juncture of our economy we have to make big developmental outlays and this year's Plan outlay is much more than in the last year. And rightly so because the last year of the Third Plan definitely sets the pattern, since it is the base for the Fourth Plan and it has to maintain the tempo of continued growth and investment. Therefore on the one side is the increase in development outlays and added to it is the substantial defence expenditure to which I am sure the House will readily agree and then to provide the right incentive for savings and investment and secure equity in the burden of taxation, becomes a difficult task. Then we have the other items of expenditure like rehabilitation, increasing expenditure on food imports, etc. All these add up to an enormous size and to attempt relief in this context when all round there is a tendency—not merely tendency but actually a built-in impetus—for expenditure to go up, to bring down expenditure to the minimum level necessary so that development is not affected, so that the security of the country is maintained, to see that rehabilitation, food imports, etc. are taken care of, I think the House will appreciate, is a difficult task and the Finance Minister in attempting to present a Budget of this type has taken recourse to all the skill that a human being can find.

Then I was asked by Members belonging to a particular party that although this year's Budget is a surplus Budget, why it was that the surplus was going to meet the capital expenditure and they took resort to the textbook concept, to the classical orthodox concept that revenue receipts

should cover only revenue expenditure and that capital outlay* should be met by borrowing. I think this House will realise that any developing country will reject this concept outright however forcibly it may be propounded, from whatever high quarters it may be propounded. It has to be rejected outright because in the conditions of life in India where the country is developing the Budget is the instrument of a developing or a dynamic economy. The concept of balanced Budget does not mean that revenue receipts should be used only to meet revenue expenditure. The Budget is an instrument for promoting savings; it is an instrument for generating growth; it is an instrument for stepping up investments and therefore we have to visualise the role of the Budget in this context. If you accept this philosophy of the Budget I think the purport of the main proposals outlined by the Finance Minister will become clear.

Now, take the question of relief. It was said that though it was all-round relief, it did not go very deep. In one word this can be explained by saying that in the very nature of things relief cannot be all round, it cannot be relief for all. Relief in an economy as it is at present can only be a selective relief, the idea being to give relief to the common man, to the person who needs it most. Secondly we should give relief to the corporate sector so that we help it to grow and produce more, to save and invest more. That is the object of relief, not that a particular tax should be brought down to a particular level or a particular concession should be extended to particular sections and so on. Whether it is in the corporate sector, whether it is in the field of personal incomes, whether it is in the field of indirect taxation, relief has to be guided by certain considerations*. Firstly, the total effect of the relief should be anti-inflation so that it must promote more savings. Secondly it must help the people who need it most. Thirdly it should be conducive according to the requirements of the plan for growth and investment. If you judge it in the context of these considerations you will find there can be no justifiable criticism. I do not want to go into details but take for instance some of the indirect tax. The complaint made*

about relief in this field was that it was not wider spread. Certainly those items have been taken which go to the help of the common man. For instance, take the tax relief relating to cotton cloth and vegetable products. Although the cotton prices have increased the reduction in excise duty by 50 per cent, is expected to result in a fall in cloth prices by about 5 per cent. In the case of the vegetable products an examination of the market prices will reveal the position. There has been a fall in prices of certain brands of vegetable products. For instance, the Ganesh brand has come down from Rs. 338 to 3'22 per kilo; Lotus brand from 3-40 to 3-26 per kilo and similarly other varieties such as Dalda have also gone down. Similarly the prices of bicycle, bicycle parts have come down. Here also, as you know the Finance Minister has taken powers. He has said that all this is being done by notification so that if the concessions are not passed on to the consumers, he can always re-impose them. That way he can see that the benefit is not appropriated by the middle man or the producer.

It was also said that while some relief had been given in some excise duties, there have been further excises added on. Again this also fits in with the philosophy of the Budget because in those cases of copper, steel products, etc. the margin of profit is very large. Either the goods are scarce or between the landed price and the market price there is a big margin and the idea of these duties is to take away that margin of profit from the middle men. Therefore these levies are well conceived.

In the corporate sector, the complaint by Shri Dhyabhai Patel is that it does not help and that the capital market has come* down. I think some time ago the Finance Minister said that the capital market is not a barometer of the economic health of the country. The indicators of the economic health and stability of the country are entirely different things like production, employment, etc. and not the capital market because it can always be manipulated to suit the advantage of certain big manipulators who can control the market. Time after time it has been proved that it is all manipulation and therefore to say that the capital market has come down

[Shri B. R. Bhagat.]

and therefore the relief has not been helpful is not a very sound argument. Relief in this sector is actually and primarily meant to promote savings and investment and to generate extra output. It is not meant to be used up for expenditure for increasing consumption. Therefore the clamour for the removal of the dividend tax cannot, I think, be justified in the present context because the purpose of the dividend tax is to discourage the frittering away of the corporate profits for current dividend distribution and encourage the ploughing back of the profits for expansion of the business. It would be perfectly legitimate for the companies to avoid the burden of dividend tax by restraining the appropriation of profits for distribution of dividends. Therefore the Finance Minister has not only been judicious but he has kept in mind the whole picture of the economy, and that is why he has provided a ceiling of 70 per cent, for the cumulative burden of dividend tax, income-tax and sur-tax. All this leads to the same point that whatever is done, it must promote growth, it must allow for expansion, it must help more production. I do not want to enumerate in detail the other reliefs which have been given with the same purpose in view.

Then I come to personal incomes and there is much greater satisfaction in the House and outside about the relief given. It is true that at the lower income level any reduction in tax will lead to more consumption but that is reasonable at that level. When he has given the tax credit or the provision of unit trust or small savings facilities, the idea is that whichever be the income group, if they have anything to save, all the facilities and all the incentives have been provided. So, there also the decreased burden of taxation must be reflected in savings. If it is not, to that extent the economy will not progress and that is why, along with that, he has provided all the avenues and institutional arrangements which will look after the small savings. It is from that point of view that the tax relief on personal income should be viewed. Therefore, I underline it again that the philosophy of these concessions is not to increase consumption. Certainly

not. It is selective, because the idea is to promote savings. At the present stage of development, when the utmost attention must be given to the promotion of savings and also to the growth of the priority sectors, tax concessions have to be devised for this specific purpose. We are not yet at that fortunate stage, I repeat it again—because it has been said that there should be an all round decrease, a blanket decrease in rates—in our development when a general reduction in taxes can be afforded by the community.

Then, again, it is how you look at these things. Some people say that we have never had such a lower rate of taxation as it is today, because the tax ceiling has come down. The others say that we are the highest taxed country in the world. This, again, is a misconception and it depends on how you look at it. It is true and the Finance Minister himself has said it, that as the economy grows, the revenue receipts are growing, and this has set the pattern for the future, at least for the Fourth Plan according to me. Revenue receipts are going up as a result of tightening up measures against tax evasion. Naturally there is growth in revenue. The income goes up. When the rate of growth is there, certainly it will create a climate for a judicious rate of taxation. Even at the present stage, as I said, it depends on how you look at the tax structure. If I may say so with all respect, those who advance this point of view that we are still the highest taxed country in the world, should not forget that the total tax burden is by no means excessive, having regard to the productive uses to which a substantial part of the tax proceeds are put. They are all going to serve the Plan interests, to serve the needs of investments for productive purposes. Even today tax receipts account for 13 to 14 per cent, of the national income. In many developed countries this proportion is higher, amounting to as much as 25 to 35 per cent.—in a developed economy. In developing countries the proportion is naturally lower. But in some of these countries also, the share of taxation in national income is higher than in India.

Then, it is not only by taxation that we can raise resources. This point was made by some hon. Members that we have to promote the efficiency of administration and bring down expenditure. They have stressed considerably on holding down non-Plan expenditure. We have been emphasising time and again and the Finance Minister is doing his level best to restrict expenditure to the minimum necessary and particularly he is very severe on non-Plan expenditure. But there are certain types of non-Plan expenditure today which are not only necessary but also desirable. For example, no hon. Member will disagree that adequate provision must be made for defence. It is a non-Plan expenditure, but it has to be met. Then, there is rehabilitation. In the context of the new refugees who have come from East Pakistan, it has to be adequately met. Then, we have further to remember that the distinction between Plan and non-Plan expenditure is to a degree conventional. A considerable portion of the non-Plan expenditure is on certain services. For example, the debt service charges are increasing, mounting up. That is inevitably linked up with our loans which flowed to meet development programmes. As the loans are going up, the interest is going up. Therefore, if you see in concrete terms, the Budget for the coming year, provides for an increase of Rs. 179 crores in revenue expenditure. Let us analyse it. Forty-seven per cent, of this is on account of defence, debt service charges, share of States in Union Excises and Statutory grants to the States. Of the balance of Rs. 94 crores 60 per cent, is for developmental services. Then comes the non-developmental expenditure which is nearly Rs. 35 crores. Of this Rs. 35 crores, you will see that a large part of it is for subsidising the large-scale distribution of foodgrains. This year, the distribution of foodgrains has been very large, much more than in previous years. As a Budget arrangement we have to write it back over a period of ten years. The expenses in connection with foodgrains distribution through fair price shops and others have been very large this year. We have to take a larger amount into account. The balance which is left is only Rs. 20 crores. I think, Rs. 20 crores is a very small proportion of the net increase in

revenue expenditure. Therefore, while completely agreeing with the need to hold down non-Plan expenditure, hon. Members would refresh their memory when I say that in the Fourth Plan Memorandum we have emphasised the need for it. We have stressed the need, as it were by various devices, to keep this figure down, so that it means a lower increase in figure of non-Plan expenditure.

Similarly, a point was made about the under-estimation of revenue receipts. Why is it that revenue receipts were underestimated? I agree that to a degree receipts in the past have been higher than estimated. This has been the result partly of improvement in the tax collection, which hon. Members will welcome. This was not taken into account, the result of improved tax collection. Even if receipts had been accurately estimated, it does not follow that tax collection efforts should have been less. We have had substantial overall deficits and the coming Budget will be, for the first time after a long period, one in which a surplus is visualised. In the Budget for the coming year specific credit has been taken this time for further improvement in tax collection. In the estimate for next year, a fair picture can be expected to be realised because we have taken into account the various other measures, including the improvement of tax collection. For example, although the tax relief total is Rs. 72 crores—of which Rs. 29 crores is taken on excise duties—Rs. 41 crores is the net. The financial estimate shows only Rs. 6-38 crores excluding the reduction of Rs. 5 crores in States' share of excise duties, because we have taken Rs. 30 crores by way of improvement in tax collection, more revenue due to that. Therefore, a precise or a fair estimate is this time attempted of the projection and forecast of revenue.

Now, I will come to two frontal attacks that have been made on this Budget by the hon. Member sitting opposite, Mr. Mukut Behari Lai. He asked a pertinent question: If this is the picture, how are you going to raise Rs. 3,000/- crores of additional resources? And he painted a

I picture saying that either it is not possible
I or if it is possible . . .

PROF. M. B. LAL: If you will allow me to make a correction, I did not say that. In the Fourth Five Year Plan they did take into account the extra taxation that they wished to impose and even after taking into account the extra income from extra taxation and the external aid, they felt that there would be a gap of Rs. 3,000 crores. If we are not going to have inflation or deficit financing, how are we going to meet these Rs. 3000 crores gap?

SHRI B. R. BHAGAT: The hon. Member has not said it differently, although he has put it in different words. He has asked how Rs. 3000 crores of resources are proposed to be met if deficit financing is not resorted to. He then went on to that if it is to be by more taxation, there should be no burden on the people. I want to deal with it in a particular way because the picture is not clear and the Resources Committee is going into it, and I think the Finance Minister at a subsequent stage will deal with it in great detail when a clear picture emerges. But since he has made the point and expressed doubt on the basic thing I am going to say it in general terms. About the picture in the Fourth Plan regarding the resources, I would say straightway that it is the preliminary memorandum which has emphasized this point very clearly that no large-scale resort to deficit financing should be had for meeting plan outlay.

PROF. M. B. LAL: I wanted to know whether the Rs. 3000 crores would be regarded as deficit financing or not.

SHRI B. R. BHAGAT: Therefore, for ensuring this a careful view has to be taken by the Planning Commission on the prospects and policy for resources mobilisation. These measures relate to avoidance of wasteful expenditure in regard to both consumption and investment. That is what I said earlier. It is also important that such expenditure in the non-plan projects and in the public sector enterprises has to be reduced, so that it means additional resources mobilisation. Then there should be tightening of the administration to reduce tax evasion and rationalisation of practice and procedure for quick realisation of output from past investment. One

of the defects in the Third Plan, according to me one of the maladies, is that all projects started bearing fruit much later than what we envisaged, and we are not able to take advantage of it in the fourth or the fifth year of the Third Plan, but we will take advantage of it in the first or the second year of the Fourth Plan. But based on our experience and various other technical and scientific innovations, we have to improve our functioning in this respect so that realisation from these sectors improves. Already in this respect I must say that this year they provide Rs. 160 crores from the public enterprises—the Railways, the Hindustan Steel, the Posts and Telegraphs, and others. It is in the Budget itself. It is Rs. 45 crores more than last year. Due to better functioning, the yielding of greater resources is being realised. Had it been realised a year ahead, to that extent our position would have been better. But I hope that in the Fourth Plan period this process of better functioning and greater yield from these enterprises will increase, as is the tendency this year. All these considerations have been borne in mind in framing this Budget.

I have already referred to the contribution that better tax administration and greater economy in expenditure are expected to make in the coming year. Quite obviously these measures are bound to have a favourable effect on the conservation of resources throughout the Fourth Plan. It is not as if all these Rs. 3000 crores will come by way of taxes. For the first three years of the Plan the growth rate has been slow primarily because the agricultural sector did not produce the required result. But one need not become unduly pessimistic. Already this year the agricultural sector is likely to show a growth of 7 per cent, and if you take a closer view, at the end of the Third Plan I think the overall growth would be even more. At one time, a year ago we thought that the picture was darker. Today the picture is not that much dark. I think we will end up with anything between 23 and 24 per cent, growth over the Third Plan period. Similarly, as an administration, as a community, as public leaders, if we improve our efficiency—and we have to improve it, the tendency is already there in all sectors—

if we do that, I think there is no ground for pessimism, which has been generated by stagnation in agricultural output specially experienced in the initial years of the Third Plan, to be there in the early years of the Fourth Plan or throughout the Fourth Plan. I think we are making all out efforts already and agricultural planning is being improved, its implementation down to the field level. The Food Minister is trying to do his level best so that the return from agriculture improves. On the basis of the physical inputs in agriculture I think the 5 per cent, average rate of growth that we expect in the Fourth Plan will be realised together with self-reliance in the economy as a result of diversifying and improvement of the industrial sector; both have to go together, and we are taking positive steps in implementation and administration of these public sector projects and also with regard to the investment programme to be planned ahead, so that not only in the early years of the Fourth Plan but also in the later years of the Fourth Plan the return from Investment is realised according to the picture we envisage. I think with the rate of growth that we have envisaged in the Fourth Plan, for which we are taking all the precautions regarding planning and implementation, raising additional Rs. 3000 crores of resources will not be a difficult task to achieve. It will be achieved and I think there should not be any pessimism in that respect. That is my answer to Prof. Lai.

Then he said that this is not a socialist Budget. I do not know if he has any textbook picture of socialism in his mind.

PROF. M. B. LAL: I want a statesman's picture that you can represent.

SHRI B. R. BHAGAT: I listened to (he hon. Member patiently and I am trying to answer him by facts and figures. I think this Budget, as I said, is not only prepared in the context of the last year of the Third Plan but also keeping the Fourth Plan in mind. What is the picture of the Fourth Plan? Can there be any socialism without stepping up the rate of growth? Because, along with the rate of

it everything else will come. As I said, we have laid special emphasis on the industrial sector, and what does that mean? That means that the weaker sections, the poorer sections, the sections which are comparatively less affluent will improve if the agricultural sector grows. For that we have to achieve a rapid development of the agricultural sector. It is for that purpose that the Fourth Plan strategy is built around an agricultural programme of increasing production by 5 per cent, per year on an average. Much of this large increase in output in the agricultural sector will be reflected in the supplies of essential consumer articles like food grains, subsidiary foods, oilseeds, and so on. Then there are other measures which include pricing. The House knows that we have taken steps to give incentive price to the agriculturist: then rural electrification on a large scale: then the agro-industrial complexes and the processed food industries. All this will not only provide the stimulant for the growth of resources of the rural sector but also will take care of the large mass of the people. Diversification of the economy in the industrial sector will increase the employment content. Therefore, we have a picture of the Fourth Plan in which not only we are trying to go towards developing the economy on a self-reliant basis but to have an affluent agriculture and to take care of at least the new labour force in the economy of 23 million people, so that employment and generation of income at such levels and the development of a dominating public sector can take place. These are the patterns and the pillars of the socialist society that we expect to have and we are trying to do it. In the last year of the Third Plan, with a picture of the Fourth Plan, this Budget is trying to achieve it. In respect of each item it is trying to promote savings and investment, to improve the rate of growth and to mobilise the resources, so that a self-reliant economy may grow. And this is the picture of socialism that we have before us. If that is not socialism, I do not know what sort of socialism . . .

PROF. M. B. LAL: This is not socialism, whatever else it may be.

SHRI B. R. BHAGAT: Well, he must have read a book written by somebody thirty years ago . . .

PROF. M. B. LAL: I have been studying socialism for thirty-five years.

SHRI B. R. BHAGAT: Socialism as an ordinary, poor farmer or as a poor, landless farmer sees it—that is the socialism that we are trying to promote.

With these words, Madam, I sit down.

THE DEPUTY CHAIRMAN: I have a very long list of Members who want to speak. Would you desire that the House sits up to 5.30 P.M.?

SEVERAL HON. MEMBERS: No. no.

SHRI M. M. SUR (West Bengal): Madam, the Budget is a big subject and the time allotted is very little. So, I can deal with a small portion of it. First of all, I shall deal with the rehabilitation of our unfortunate brothers and sisters who are coming from East Pakistan and also with the wild allegations made by the hon. Shri Bhupesh Gupta on the floor of the House about some funds being utilised in West Bengal. There were three Funds that he mentioned. One is Dr. B. C. Roy Memorial Fund. That was opened after his death. He has mentioned Rs. 46 lakhs as having been collected but it is over Rs. 54 lakhs that have been in fact collected. The land has been acquired, the plan has been made and the house is under construction. It will take some time to be finished, and I can assure Shri Bhupesh Gupta that not even a single naya Paisa of that Fund is being utilised by the West Bengal Congress. There is a body of administrators and the accounts are audited by a firm of chartered accountants, Messrs. G. Basu and Company. If he cares to find out, he will see how the money is being utilised.

He has mentioned about another Fund, the West Bengal Flood Relief Fund. He has mentioned the sum of Rs. 25 lakhs. I happened to be the Treasurer of that Fund. It was not Rs. 2.5 lakhs, but it was Rs. 14 lakhs that was collected. The Fund,

after the collections were made, was made over to different charitable organisations or social organisations which were engaged in relief work. Schemes were drawn up. They were asked to submit their schemes. The schemes were scrutinised and the funds were allotted according to their requirements. Certain sums were left. And it was found that after the Bengal floods there were seven flood-affected districts from which applications came for educational help, from students who wanted help for buying books and for paying their school fees. So, it was decided that the Fund be allotted to the new West Bengal Welfare Board. It was not given to Shri Atulya Ghosh as was mentioned by Shri Bhupesh Gupta but it was given over to the new West Bengal Welfare Board and that Board opened study centres and libraries in the seven flood-affected districts. The Fund was utilised for buying books, for opening libraries and for the purchase of chairs and tables, etc. which were necessary and also for giving two tiffins a day for the students who were affected by the floods.

He has also mentioned about the Assam Relief Fund. The Assam Relief Fund, as you are aware, was started for the benefit of about 50,000 or 60,000 Bengali-speaking people who came from Assam to North Bengal. At that time, Shri Vijayananda Chatterjee, who is a very prominent social worker, was doing some relief work in North Bengal along with a large number of volunteers. And Dr. B. C. Roy requested him to do relief work in Alipur Duar and Cooch Behar areas. I do not remember exactly the amount that was given or the number of cheques, but a good amount was given to him because of his ability, his leadership and the way in which he was managing the affairs. In every case when the funds were allotted, the schemes were drawn up, the accounts were checked and funds were made available time after time according to their necessity. So, there is nothing of the kind that Shri Bhupesh Gupta mentioned, about the funds going to the West Bengal Pradesh Congress Committee. No funds have gone to them. It happens that some of the organisers of the West Bengal Congress Committee are also good social work-

ers and therefore whatever funds are given to them, they will say that they have gone to the West Bengal Pradesh Congress Committee, is not true.

In the case of the Assam Relief Fund, the present Chief Minister, Shri P. C. Sen, noticed that there were some discrepancies he himself, on his own accord, put those matters before the police investigation officers, and they have found out that certain discrepancies have taken place. They have prosecuted one of the Deputy Ministers. Since that matter is *sub judice*, I should not speak about that. They are always alert. Especially in regard to funds of this kind, Government is alert and sees that they are properly utilised. Otherwise, Shri P. C. Sen, as early as three or four years ago, would not have taken the initiative of bringing the discrepancies to the notice of the police causing the prosecution of a Deputy Minister.

SHRI AWADHESHWAR PRASAD SINHA (Bihar): AJ sails at Durgapur also you can say.

SHRI M. M. SUR: About the stalls at Durgapur? At the time of Kalyani we were the first to invite the different Ministries to let the people know what they proposed to do about the Plans. That was in the planning stage, it was in 1953. We asked the different Ministries to show the people about the Plan. They had invested in money somewhere about Rs. 2,000 crores. We had invited the different Ministries, particularly the big Ministries, and institutions like the Hindustan Steel and others who had invested Rs. 600 crores. We have the large gathering of MLAs and MPs from all over India; no other political organisation can collect so many MLAs and MPs as we can at the time of the Congress Session.

SHRI AWADHESHWAR PRASAD SINHA: General public also.

SHRI M. M. SUR: If we have an exhibition in Calcutta or in Bombay, it is only the local people who will come there, but not people from all over India. But here, in the Congress Session, you get lakhs of people from all over India. Therefore, this is an occasion in which we can show

the MLAs and the MPs and the people of different States about our Plans. It is perhaps the cheapest form of advertisement, the cheapest form of letting the people know what is happening in the country. That is why the West Bengal Pradesh Congress Committee utilised this occasion and organised a big exhibition. Not only the Defence Ministry, but Messrs. Messops and Co. and other organisations also took part in it. In fact, we were short of space. There were so many many people coming to participate in the exhibition that we were not able to provide them with space. Allegations were made about the rents charged. But I have been Chairman of the Exhibition and also of the Durgapur Exhibition Committees. And if you compare the table of prices, you will find that there was no discrepancy; in fact, we were charging the stalls at Durgapur less than what we did there. Perhaps, the Minister will put the position before the

House. About rehabilitation we P.M. have displaced persons who came in 1947 and displaced persons who are coming even now. The residual problem in West Bengal was finalised in consultation with the Government of West Bengal in 1961. It was estimated that Rs. 22 crores would be required to complete the work as explained in the latter part of this letter.

The annual report of the Ministry of Works, Housing and Rehabilitation for the year 1963-64 says that schemes to the extent of Rs. 8 crores have already been sanctioned. That means that by 1963-64 schemes to the extent of Rs. 8 crores out of Rs. 22 crores in all were sanctioned. And it was noted that the remaining schemes would be formulated by the State Government during the next two years and sanctions issued. My point is this that while Rs. 22 crores were sanctioned, only Rs. 8 crores have been spent and Rs. 14 crores still remain to be spent. When schemes are spent by the West Bengal Government, they are not being properly looked after.

I have got here with me a letter signed by ten M.Ps. including Shri Surendra Mohan Ghose, Shri A. C. Guha, Shri Tridib Kumar Chaudhuri, saying that 13

[Shri M. M. Sur.] schemes were recommended by the Education Minister of West Bengal Government to the Rehabilitation Minister for sanction of funds for enlargement of schools and hospitals, for libraries and other things, for giving better education to the displaced persons who are already there since 1947-48. No sanction has yet been obtained.

Similarly grant is to be given for hospitals where there are over 50 per cent refugee patients. The West Bengal Government asked for grant but it is not being given. This year we find that the question of rehabilitation of partially displaced persons has been completely omitted. When it was passed by Parliament that a sum of Rs. 22 crores will be spent for rehabilitation of these partially displaced persons, only Rs. 8 crores have been utilised for the purpose. I should like to know why the remaining sum of Rs. 14 crores should not be given to the Government of West Bengal readily so that these persons who are already there are properly rehabilitated. And what is the result? These partially rehabilitated people are dis-

satisfied and the Opposition is utilising them for propaganda purposes. These people are even taking law and order into their own hands. Big demonstrations are taking place. When this amount has already been sanctioned, when the question has already been decided at the Chief Ministers' Conference, there is no reason why the balance of Rs. 14 crores is also not sanctioned for the purpose. I request the hon. Finance Minister to see that these funds are readily given to the West Bengal Government. The scheme has already been recommended by the Ministries of Education and Health.

THE DEPUTY CHAIRMAN: Your time is nearly over. Two minutes more.

SHRI M. M. SUR: I have nothing more to say.

THE DEPUTY CHAIRMAN: The House stands adjourned till 11 A.M. tomorrow.

The House then adjourned at four minutes past five of the clock till eleven of the clock on Tuesday, the 16th March, 1965.