

in this House those few words said many years ago by a great poet:

"Spite of despondence, of the inhuman dearth

Of noble natures, of the gloomy days,

Of all the unhealthy and o'er-darkened ways

Made for our searching; yes, in spite of all,

Some shape of beauty moves away the pall

From our dark spirits."

Let us live in that faith and hope.

1 P.M.

MESSAGES FROM THE LOK SABHA

I. THE RESERVE BANK OF INDIA (AMENDMENT) BILL, 1960

II. THE ESTATE DUTY (AMENDMENT) BILL, 1960

SECRETARY: Sir, I have to report to the House the following two messages received from the Lok Sabha, signed by the Secretary of the Lok Sabha:—

(I)

"In accordance with the provisions of rule 96 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to enclose herewith a copy of the Reserve Bank of India (Amendment) Bill, 1960, as passed by Lok Sabha at its sitting held on the 26th April, 1960.

2. The Speaker has certified that this Bill is a Money Bill within the meaning of article 110 of the Constitution of India."

(II)

"In accordance with the provisions of rule 96 of the Rules of Procedure and Conduct of Business in Lok Sabha, I am directed to enclose herewith a copy of the Estate Duty (Amendment) Bill, 1960, as passed by Lok Sabha at its sitting held on the 26th April, 1960.

2. The Speaker has certified that this Bill is a Money Bill within the meaning of article 110 of the Constitution of India."

Sir, I lay these two Bills on the Table.

MR. DEPUTY CHAIRMAN: The House stands adjourned till 2.00 P.M.

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

The House reassembled after lunch at two of the clock, THE VICE-CHAIRMAN (PANDIT S. S. N. TANKHA) in the Chair.

THE FINANCE BILL, 1960—contd.

श्रीमती कृष्णा कुमारी (मध्य प्रदेश): उपसभाध्यक्ष महोदय, जब से भारतवर्ष आजाद हुआ है तब से यह देखने में आ रहा है कि उद्घाटन की एक बहुत बड़ी लहर सी हमारे भारतवर्ष में आ गई है। हमेशा हमारे मंत्रीगणों का—चाहे वे केन्द्र के हों चाहे किसी भी प्रदेश के हों—बहुत सा समय उद्घाटन करने में जाता है और इस में वित्त भी बहुत ज्यादा तादाद में खर्च होता है। जब कि भारतवर्ष औद्योगीकरण की ओर बढ़ रहा है और उस के सामने धन की बहुत बड़ी जरूरत आ पड़ी है तब ऐसी सूरत में यह देखना सब से जरूरी हो गया है कि हम अपने खर्च को मितव्ययिता से करें और हमेशा कर का भार हर एक आदमी के ऊपर पड़े, चाहे वह गरीब हो चाहे वह अमीर हो। कोई भी राष्ट्र जो कि आगे के लिये बढ़ता है, औद्योगीकरण करता है उसे तो संकटाकीर्ण अवस्था में चलना ही पड़ता है।

हमारे भारतवर्ष में कृषि की उन्नति की सब से ज्यादा आवश्यकता है। हमारे यहां सब से ज्यादा कृषि ही होती थी और इसीलिये यह कृषि-प्रधान देश माना गया है, परन्तु दुख का विषय है कि आज १२ साल के अन्दर भी हम इस योग्य नहीं बन सके हैं

[श्री ती कृष्णा कुमारी]

कि हम इतना अन्न उत्पन्न कर सकें कि हमारा भरण-पोषण हो सके। यह भारतवर्ष के लिये कितनी शर्म की बात है। तो यह देखना अत्यंत आवश्यक है कि कहां पर कौन सी ऐसी कमी है, कौन सी वजह है या कारण है कि हम इस काम में अप्रसर नहीं हो पा रहे हैं। कब तक हम दूसरों के ऊपर अवलम्बित रहेंगे? आज अगर हम पर-राष्ट्र से अन्न-दान नहीं मांगें तो हमारा भरण-पोषण नहीं हो पाये। यह भारत के लिये सब से अधिक दुर्भाग्य की और लज्जा की बात है। इसलिये हमें इस संबंध में ठोस कदम उठाने चाहिये और हमारी जो उपजाऊ भूमि पड़ी हुई है जहां कि सिंचाई का कोई भी साधन नहीं है वहां पर सिंचाई के साधन उपलब्ध करना अति आवश्यक है क्योंकि जब हम औद्योगीकरण करने चलते हैं तो उस के लिये सब से पहले जरूरी यह है कि हम अपने पेट को भरें। कोई भी आदमी भूखा रह कर कोई काम नहीं कर सकता। देखने में यह आ रहा है कि आज भारतवर्ष में हर एक चीज के भाव बढ़ते जा रहे हैं और वह आज तक सीमित नहीं किये जा सके हैं। रोजाना एक न एक चीज के भाव बढ़ते जा रहे हैं। और इस से गरीब जनता में बहुत असंतोष फैल रहा है। मुझे तो यह देखने में आ रहा है कि जनता में इस बलिदान के द्वारा वर्ग भा असंतुष्ट है। उन में जो गरीब असंतोष फैल रहा है। तो हमारा जनता में जो यह गरीब असंतोष फैल रहा है इसका कारण क्या है? इसका कारण तो योजना सरकार का परम कर्तव्य है क्योंकि जब हमें आगे बढ़ना है, तो जब हम सब को संतुष्ट कर के सब का अपने साथ में ले कर के कोई कदम बढ़ावेंगे तब ही सफलता मिलेगी, परन्तु आज वह भावना नहीं है।

इस ढंग से हम देखते हैं कि शिक्षा के लिये हमारे वित्त में एक बहुत बड़ी रकम दी जाती है और खास कर के जब मैं यह देखती हूं कि

सोशल वेलफेयर बोर्ड के लिये कितनी सम्पत्ति दी जाती है और उसका काम कितने कम जोरों से चल रहा है तब मुझे अजीब सा लगता है। गाड़ो बराबर दो पहियों के सड़कें चलती हैं परन्तु देवनों में यह आता है कि हमारे भारतवर्ष में सब से ज्यादा पिछड़ापन महिलाओं में है। महिलाओं में न तो शिक्षा का कोई असर है और न वे शिक्षित हैं और जब तक वे शिक्षित नहीं होंगी तब तक हमारा दूसरा पहिया मजबूत नहीं हो सकता है और जब तक दोनों पहिये बराबर मजबूत हो कर नहीं चलेंगे तब तक भारतवर्ष के उत्थान के काम को आगे नहीं बढ़ा सकते हैं, किसी भी विकास-कार्य को सफलीभूत नहीं बना सकते हैं। तो हम बराबर कंधे से कंधा मिला कर चल सकें, इस ओर भी हमें विशेष ध्यान देना होगा।

जहां पर भी देखें हमें एक अजीब संघर्ष सा प्रतीत हो रहा है और हमारा वह संघर्ष दिन ब दिन बढ़ रहा है। स्त्री पुरुष के बीच में संघर्ष, पिता पुत्र के बीच में संघर्ष, बहन भाई के बीच में संघर्ष, यानी जगह जगह में, आदमी आदमी में, कण कण में यह चीज व्याप्त हो रही है। आज जब कि हमारे देश के ऊपर संकट के बादल घूमते हुए दिखाई दे रहे हैं तब इसका क्या असर है? ऐसी अवस्था में जब कि शिक्षा का प्रभाव बढ़ रहा है इस ओर विशेष ढंग से हमें ध्यान देने की जरूरत है। आज एक बच्चे के हृदय में यह भावना नहीं भरी गई है कि भारतवर्ष देश हमारा है। जब से हम स्वतंत्र हुए हैं तब से यह भावना हमारे दिलों से हट सी गई है। हम अपने कर्तव्यों को भूल कर दूसरों के दिखावटीपन में आ गये हैं। हमें तो अपनी सभ्यता बहुत प्रिय होनी चाहिए। भारत की संस्कृति को देखते हुए और उसके रहन सहन को देखते हुए ही हम आगे बढ़ सकते हैं लेकिन हम पश्चिम के प्रभाव से प्रभावित होते जा रहे हैं और उसकी नकल करने के पीछे पड़ गये हैं। इस तरह से भारतवर्ष कितना आगे

बढ़ सकेगा इसमें मुझे थोड़ा संदेह हो रहा है। आज हम कितने पिछड़ रहे हैं जब कि हमें बहुत आगे बढ़ जाना चाहिए था। तो हम में कहां पर त्रुटियां हैं, कहां पर कमजोरियां हैं, किस तरफ हम गिर रहे हैं और किस तरफ हम उठ रहे हैं, इन चीजों को देखना बहुत ही जरूरी और आवश्यक है। आज वह समय नहीं है कि हम इससे अनभिज्ञ रह कर कोई काम कर सकें। योजनाओं का पूर्ण होना जरूरी है परन्तु उसके साथ ही हमें जनसमूह को भी देखना है और उन्हें अपने साथ चलाना है और तभी हम सफलता की प्रथम सीढ़ियों पर पहुंच सकेंगे। हम उन्हें छोड़ कर नहीं चल सकते हैं और हमें उनमें यह भावना भरनी ही होगी कि यह हमारा देश है। आजादी के पहले हमने कितने बलिदान किये और उस समय एक एक कण में, स्त्री पुरुषों में, बच्चे बच्चे के हृदय में यह भावना आ गई थी कि यह भारतवर्ष हमारा देश है और इसको आजाद कराकर छोड़ेंगे और इसी वजह से हमें आजादी प्राप्त हुई, परन्तु जब से हम आजाद हुए तब से हमारे हृदयों से यह सब भावनाएँ बिल्कुल दूर हो गई हैं।

ज्यादा न कह कर एक छोटी सी मिसाल मैं यह देना चाहती हूँ कि आज कागज के छोड़े आदमी के पैरों से कम तैजी से दौड़ रहे हैं। इसका कारण क्या है? यह एक गम्भीर प्रश्न है और एक विचारणीय प्रश्न है कि क्या बात है कि हमारे सेक्रेटरियट के हर एक मुहकमे में आदमियों की सख्या बराबर बढ़ रही है और काम की रफ्तार फिर भी धीमी होती जा रही है? क्या भावनाएं हैं उनके दिल में, यह देखना जरूरी है, वह समझना जरूरी है। उनमें वे भावनाएं भरनी जरूरी है। यह भारतवर्ष हमारा देश है यह जानकर जब हम काम करेंगे तब ही हमारे काम में पूर्ण सफलता मिल सकेगी। इस ओर से अनभिज्ञ रह कर हम किसी लक्ष्य पर नहीं पहुंच सकते। इसलिए मैं वित्त मंत्री महोदय से यह विनम्र प्रार्थना करूंगी कि इस ओर भी देखना बहुत जरूरी है।

साथ ही, कृषि के लिए भी ठोस कदम नहीं रखा जा रहा है। जहां तक मेरा अनुभव है, जो कुछ मैं देख रही हूँ उससे मुझे प्रतीत होता है कि अगर यही रवैया रहा तो हम सब दिन दूसरों पर ही अवलंबित रहेंगे। मांगने की हमारी आदत बुरी पड़ती जा रही है और यह भारत के लिए लज्जास्पद बात है क्योंकि हम हमेशा दूसरों के हाथ के नीचे हाथ कब तक रखे रहेंगे? हम अपने पैर मजबूत नहीं कर रहे हैं, हम दूसरों के अवलंबन में कब तक चलते रहेंगे, यह सोचने और समझने का विषय है। हम लोगों को चाहिए कि इस बात के ऊपर हम गम्भीरतापूर्वक विचार करें और ठीक ढंग से चलें।

मैं मध्य प्रदेश की थोड़ी सी मिसाल देना चाहती हूँ कि चार इकाइयों को मिलाकर एक बहुत लम्बा चौड़ा प्रदेश बना दिया गया। ठीक है, पर यह न सोचा गया कि इतना लम्बा चौड़ा तो बना दिया लेकिन कौन इसे संभालेगा, कौन इसका कार्य होगा, कैसे होगा? आज द्वितीय पंचवर्षीय योजना को पूरी होने का भी समय लगभग आ गया है। योजना में नहरें बांधने का प्राविधान रखा गया है पर आज तक मध्य प्रदेश में नहर नहीं बनीं। साथ ही, मध्य प्रदेश की एक इकाई विन्ध्य प्रदेश है जिसकी राजधानी रीवां ६०० वर्ष पुरानी राजधानी रही है। आज वहां पर सिंचाई के लिए कोई भी साधन नहीं है। सन् १९५४ में वहां पर एक बांध योजना रामपुर बांध के नाम से महाना नदी पर बनने वाली थी, जिससे लोगों में एक आशा की लहर दौड़ी हुई थी कि उनका सिंचाई का साधन मिलने लगेगा, लेकिन जब बांध बनाने का समय शुरू होता है तो वह योजना ही ठप्प कर दी जाती है। पता नहीं क्या कारण है क्या नहीं है। ऐसी अवस्था में लोगों में असंतोष का बढ़ना बहुत स्वाभाविक हो जाता है। जहां पर सिंचाई का कोई साधन नहीं है, ईश्वर के भरोसे काम चलता रहता है वहां पर तो बहुत मुश्किल परिस्थिति से गुजरना पड़ता है। देखिये, इतने पर भी मध्य प्रदेश सरकार

[श्रीमती कृष्णा कुमारी]

चावल और गेहूं बहुत तादाद में सेन्टर को दे रही है। ऐसी अवस्था में हमें जब राज्य पुनर्गठन हुआ तो आश्वासन दिया गया था कि पिछड़े स्थानों के लिए, उन्हें विकसित करने के लिए हम सहायता के रूप में ज्यादा तादाद में धन देंगे, पर आज हमें देखने में यह आता है कि मध्य प्रदेश के लिए जो धनराशि की संख्या है वह सबसे कम है, और जबकि वह सबसे पिछड़ा हुआ प्रदेश है। चारों इकाइयों को अलग अलग रहने पर जितना धन दिया जाता था अगर उतना ही धन दो, तीन वर्ष दे दिया जाता दूसरी पंचवर्षीय योजना में तो शायद वह विकसित हो जाता और हर एक प्रदेश के साथ पैर से पैर मिलाकर चलने लायक होता। पर नहीं, जो पिछड़े हुए हैं उन्हें पिछड़ा छोड़ दिया गया है और जो आगे बढ़ रहे हैं उनकी ओर अब ज्यादा देखा जा रहा है। ऐसी नीति मेरी समझ में नहीं आती। कानून ऐसा होना चाहिये, नीति ऐसी होनी चाहिए कि पिछड़ों को ज्यादा सहायता मिले, न कि उसके पिछड़ेपन को और पिछोड़ना चाहिए।

श्री पा० ना० राजभोज (मुम्बई) : पिछड़े हुए वर्गों पर भी ध्यान जाना चाहिए।

श्रीमती कृष्णा कुमारी : भाई पिछड़े वर्ग खुद अपना पैर मजबूत करेंगे तो उन्हें कोई पिछड़ा हुआ नहीं कहेगा। वे दूसरों के कंधे पर हाथ धर कर कब तक चलेंगे? कंधा भी तो टूटने लगेगा, उसके लिए भी तो कुछ चाहिए। (*Time bell rings*) दो मिनट का समय और चाहिये।

एक मुख्य बात यह है कि कहीं भी यह देखने में नहीं आया कि पिछड़े लोगों को पानी पीने के लिए भी न मिले। भाई राजभोज साहब की बात ने याद दिला दी। सतना जिले में अमझर नाम का एक गांव है जो कि पहाड़ पर बसा हुआ है। हर साल तकरीबन मैं वहां का दौरा करती रहती हूं। वहां के

लोग जंगली हैं, उनके पास न शिक्षा दीक्षा का साधन है और न उनके पास कोई उद्योग व्यापार है। उसे भी छोड़िये, उद्योग व्यापार की बात को जाने दीजिये, लेकिन आजादी को हुए ११ वर्ष बीतने के बाद भी सरकार पीने के लिए पानी उन्हें नहीं दे सकी यह कितनी लज्जा का विषय है? कहां तक मैं कहूं। पार साल मैं वहां गई थी। उस जिले में क्या देखती हूं कि एक छोटी सी पोखरी वहां पर है जिसमें सूत सा पानी आ रहा है, और घड़ा लेकर लोग बराबर वहां बैठे रहते हैं। धूप में बैठे लोग प्यासे होते हैं, उनमें दयाभाव होता है। तो जिसका घड़ा बारी से लगा रहता है वह पीने के लिए पानी भर लेता है। ऐसे वक्त में यह चीज देखकर मुझे बड़ा दुख हुआ कि एक आदमी की मां बीमार पड़ी मरणासन्न अवस्था में थी। उसकी बहू कहती है कि चार आदमी घर आयेंगे, बैठेंगे तो उनको देने के लिए पानी नहीं है इसलिए जाकर जल ले आओ। उसका आदमी जब घड़ा लेकर जल लेने जाता है तो उसे बारी से अपने स्थान पर बैठना पड़ता है और पानी की बारी आने के पहले ही उसकी मां मर जाती है उसकी अनुपस्थिति में; जब उसको यह सदेशा दिया जाता है तो वह घड़ा छोड़कर देखने दौड़ता है। तो समझिये जहां पर ये परिस्थितियां हैं, जहां हम पानी की समस्या भी नहीं हल कर पाये वहां कैसे सम्पन्नता हो सकती है। बड़े बड़े उद्योग धंधों की बात तो दूर रही। इस प्रकार हमारा जो पिछड़ा हुआ वर्ग है वह भूखा ही मर रहा है, वह बेकारी में तड़प रहा है, वह एक बूद पानी के लिए तड़प रहा है। वे आपकी लम्बी चौड़ी योजनाओं को समझ नहीं पाते, उसे समझने की उनमें शक्ति कहां है। उसमें इतना दिमाग ही नहीं है और न भूख की तड़प में उसका दिल ही लगता है। तो ये बातें हमें देखने की और समझने की जरूरत है। जब हम भारतवर्ष में अपने लोगों को पानी तक नहीं दे सकते तो हम उनके साथ कैसे सहानुभूति दिखा सकते हैं (*Time bell rings*) कहना तो मुझे बहुत था . . .

उपसभाध्यक्ष (श्री श्या० सु० तन्खा) :
आप माफ़ करेंगे, आप अट्टारह मिनट बोल
चुके हैं ।

SHRI P. N. SAPRU (Uttar Pradesh): Mr. Vice-Chairman, on the Appropriation Bill I had some remarks to make about the incidence of indirect taxation in this country. I said that the question whether the incidence of indirect taxation has not reached a very high limit should be considered with a fresh mind. The Finance Minister in his observations said that as we move towards a socialistic pattern of society the incidence of indirect taxation was bound to go up. That no doubt is true to a certain extent, but it must be remembered that we are working a mixed system of economy and the capacity of the people to bear indirect taxation is limited. We have got a poverty-stricken people; the middle classes are a poor lot and we must not make conditions difficult for them. That was my point.

Now, Sir, I am glad that the Finance Minister has given some relief in this matter of indirect taxation. I note that substantial relief has been given under the revised proposals to the film industry by prescribing graduated scales for cinematograph films. Agricultural tractors, I note, are going to be exempted from excise duty. Duties on medium-size cars, staple-fibre fabrics, cycle free-wheels and rims will also be reduced. Now, I would have liked the relief to go further but I note that the total amount of relief granted will be to the extent of Rs. 47 crores. I would like to make a suggestion. It has become imperative for us to think in terms of State trading, State businesses and State industries. I would not say that we should do away with the private sector altogether. That is not my point but it has become increasingly important for us to think in terms of State trading, State businesses and State enterprises. I would

also like the State and private enterprises to become partners in what they call "co-partnership" schemes. I would like industries to be run on the basis of 51 per cent. State capital and 49 per cent. private capital. I would also suggest that we take up seriously the question and see whether it is possible for us to amend our Company Law in such a manner as to make our workers actual shareholders in the companies in which they are working. My mind is working in the direction of what Mr. Joseph Grimmond calls 'co-ownership'. It is not profit-sharing that I am thinking of. I want our workers to be participants as shareholders in the industry in which they are working. There must be representation of workers on the directorate as well.

Apart from this, I would like the question of social security to be taken up seriously. We have a Social Welfare Board no doubt but the average man is entitled to ask: "What are you going to do for me in the immediate present? You want me to make sacrifices for the remote future. All right but are you doing anything for me for the immediate present?"

Let us take the case of old men, men who have reached the age of 65 or thereabout. The joint family system is breaking down. We have sons and daughters who do not care as much for their parents as people in the olden days used to but I am not blaming them. Conditions are very hard these days. Therefore we must have a system of old-age pensions in this country. I am proud to tell you that my own State of U. P. has given a lead in this matter. We have introduced a system of old-age pensions in U. P. I remember recommending a priest who was a pious man for a pension. He had served our family well. I am not interested in priests but I am interested in human beings. I remember that priest coming up to me and asking me to help him to get some relief under the old-age

[Shri P. N. Saprū.]

pension scheme. I certified as to his character, etc. and he was granted an old-age pension but he did not unfortunately live long enough to benefit by it. I think in Centrally administered areas, we should have some scheme of old-age pensions and we should give a direction or lead in this matter to the other States of India. I think the Finance Minister should take up this matter with the Finance Ministers and Social Security Ministers of the State Governments.

SHRI BHUPESH GUPTA: If they are to introduce this, they will want money from us immediately.

SHRI P. N. SAPRŪ: We find money for so many things, we find money for steel plants, we find money for very ambitious schemes but we do not find money for schemes of a beneficent character. I would also like thought to be given to the question of whether we should not have some social security schemes for orphans and widows who are unable to support themselves. They have a claim not upon our charity but upon a sense of justice of the community. I do not consider these measures as measures of charity. They are measures of social justice and socialism has little meaning if it does not mean a better life for the common man.

Then I would like to invite your attention to the fact that the price line is very high and is not showing any tendency to go down. I do not know what is the reason for this tendency. It is a matter for enquiry as to whether deficit financing, external and internal borrowings and heavy taxation have not created a situation which leads to inflationary pressures. So we must devise machinery for holding the price line. We must not be afraid of physical controls if necessary in order to maintain the price line.

I would invite your attention to the 63rd report of the Estimates Committee in which that Committee has

observed that there is no uniformity in regard to the submission of annual reports and accounts of public undertakings to the Parliament. There are cases in which they are not submitted in time and there are cases in which they are not submitted without the auditor's report. We have set up a number of public bodies in recent years. I see no reason why the reports of all these bodies should not be submitted to Parliament. I see no reason why the reports of these bodies should not be scrutinised carefully by discussions in Parliament. This is an important matter and upon the manner in which Parliament exercises its control over the public sector will depend the future of the public sector in which we are so much interested in this country.

I should like to say one or two words about public health. Prevention, as men of medicine will tell you these days, is better than cure.

As everybody knows, the most important thing for the prevention of diseases is an adequate supply of pure drinking water. But we know that there is no adequate supply of pure drinking water, or rather there is no supply of pure drinking water in our villages. Our villages, therefore, become the breeding ground for diseases and that too preventable diseases. Therefore, the poor man is entitled to insist that there shall be the highest priority given to the supply of pure drinking water in rural areas. I think it will take about a hundred crores of rupees. I have not worked out the figures and I am rather bad at figures—but I think it will take about Rs. 100 crores to cover the countryside with protected wells.

Next, Sir, I would like to make a reference to the valuable report of the Tyagi Committee on tax evasion. I would say that I generally agree with their view that the incidence of tax evasion is not as high as Prof. Kaldor makes it to be. There are some persons who think that tax evasion is to the extent of about Rs. 400

or Rs. 500 crores a year. I think that all these are exaggerated estimates and I think the Finance Minister was on right lines when he said that the incidence was not as high as it was made out to be. Whatever be the incidence of tax evasion, the thing is wrong and it should be stopped. I make no distinction between the man who evades taxes and the man who forges documents or the man who embezzles money or the burglar who burgles in our houses. These tax evaders are scums of society. They are not pillars of society, though they often pose to be pillars of society. There should, therefore, be . . .

SHRI BHUPESH GUPTA: But they are the patrons of a particular political party.

SHRI P. N. SAPRU: But you have got patrons in foreign lands. The most disgusting feature about my hon. friend's party is its foreign allegiance.

SHRI BHUPESH GUPTA: Are there tax evaders there also who evade Indian taxes?

SHRI P. N. SAPRU: There are tax evaders in your ranks also and I can say that our party, whatever you may say, can claim to be more pure than your party.

I think we need more Income-tax Officers and I have got a lot of sympathy for these Income-tax Officers. They do their jobs pretty honestly, I think, and they do their job pretty efficiently. They are hard working. But you cannot expect them to do the impossible. You need to increase their strength and you must have adequate staff in order to be able to tackle this problem of tax evasion.

Next, I would like to say a word about the inheritance taxes. I made a reference to this question of inheritance taxes in my speech last year and I would like to repeat what I said then. I do not like this institution of inheritance and I am reminded of John

Stuart Mill's feelings with regard to this question towards the end of his life. He had come to the conclusion that this system of inheritance was wrong and needed to be controlled. I think in order to provide some incentive we may be able to put up with it to a certain extent, but I think there should be different slabs for different types of people. For example, the slab on the grandson when he inherits the property should be higher than the slab on the son and when the property goes into the hands of the great-grandson, care should be taken to see that the property disappears altogether, because an attack on inheritance is necessary.

SHRI BHUPESH GUPTA: Shall we wait till that day comes?

SHRI P. N. SAPRU: The institution of inheritance is a bar to the creation of an egalitarian society. With inheritance it is difficult for society to give equal opportunities to all. With inheritance in its present form a man cannot start life without avoidable handicaps. We have to approach our task not in the spirit of economic or social obscurantists. We have to approach our task in a radical spirit, and we have to approach our task in the spirit of men who look to the future. We have to approach our task in the spirit of men who believe that it is possible for them to create good living conditions, with effort and zeal and with determination to do the right and the just thing.

SHRI K. SANTHANAM (Madras): Mr. Vice-Chairman, I propose to confine myself strictly to a few major issues of taxation and financial policies. I know that it is a tradition of the debate on the Finance Bill to range widely from Peru to China.

SHRI BHUPESH GUPTA: And from father to the great grandson

SHRI K. SANTHANAM: Sir, a Finance Minister can pursue two policies of taxation. One is that he may adjust his taxes so that annually his budgets are as nearly balanced as

[Shri K. Santhanam.]

possible and unhealthy trends are corrected and healthy tendencies promoted. This is the policy which ought to be pursued by a mature economy where industries and employment have reached a high level. The other policy is to have a stiff dose of taxation one year and give the country two or three years to assimilate that taxation and become prepared for a further dose. I think it is this policy which is suitable to a developing economy. It is no use having pin-pricks year by year. Sir, in this connection, I wish to pay my tribute to Shri T. T. Krishnamachari, whose courage and foresight have enabled the country to have a rest from taxation for the last three years. If today all the State budgets are balanced, it is due to his foresight.

I know, Sir, that the present Finance Minister has courage to face unpopular decisions but somehow I feel that in this matter of taxation and general financial policy he is hesitant, he is not sure of himself, and therefore he has allowed himself to pursue what I would call this pin-prick policy. By levying numerous taxes which would bring in about Rs. 20 to Rs. 22 crores, he has not covered the deficit. He has not prepared the country for the inauguration of the next Five Year Plan. In my view either he should have given a sort of tax holiday this year to the country and said that it must be ready to face the burdens in the first year of the Third Plan or he should have raised Rs. 50 crores or Rs. 60 crores and at the same time announced that for the next two or three years there would be no further taxation so that the country could settle down. Today we are in the unfortunate position of having numerous taxes yielding small amounts and thus creating a lot of agitation throughout the country but then these amounts do not cover even this year's deficit. In the next year, unless the Finance Minister is willing to take to large-scale deficit financing which will be ruinous, which will increase the forces of inflation which

are already prevalent, he will have to raise Rs. 70 crores or Rs. 80 crores or Rs. 100 crores of revenue; otherwise, he cannot start the Third Five Year Plan. Therefore, I earnestly plead with the Finance Ministry that it must make up its mind and over the doors of its office this slogan should be put up 'सं या मा विन यति' — the man who doubts perishes.

SHRI BHUPESH GUPTA: Then according to what you have said of the Finance Minister, he will perish inside the room.

SHRI AKBAR ALI KHAN (Andhra Pradesh): He did not mean it that way. Please do not interpret him like that.

SHRI K. SANTHANAM: I think he will survive all your comments.

I agree with the Finance Minister when he said that the country has to depend more and more on indirect taxation because direct taxation can be collected, is being collected, from only one per cent. of the families in the whole country and at the present level of incomes, he cannot easily extend this. This is in sharp contrast to the position in the United States of America and in the United Kingdom where almost every family is paying income tax. There are about sixty million families paying income-tax in the United States of America and about twenty million families paying income-tax in the United Kingdom as against a mere six or seven lakhs of assesseees in India.

DR. B GOPALA REDDI: It is one million.

SHRI K SANTHANAM: One million, that is, ten lakhs. Therefore, while it is quite true that indirect taxation has to be resorted to, here also some general principles should be followed. Indirect taxation should not be levied on either industrial raw materials or

on transport because such taxation multiplies itself enormously and results in a greater increase in price than is warranted by the actual taxation. It is highly unfortunate that this year the Railway Minister should have levied a surcharge of 5 per cent. on freight and the Finance Minister should have levied taxation on diesel oil. What is the effect? It goes on multiplying on every item of production and on every item of distribution and it is not possible to calculate the effects of such taxation. On the other hand, if indirect taxes are confined to articles of consumption, the consumer may be hard hit but that is the price he has to pay for development. It will not affect production and the effects will be calculable. Therefore, I would suggest that it should be a rule of policy that indirect taxation should be confined to consumption articles, and as far as possible to those consumption articles which are either luxury goods or articles which are avoidable, which a man can avoid and yet keep his health and that of his family intact.

Sir, while I agree that direct taxation cannot be enhanced, there are many methods by which the existing resources can be enhanced. I feel that there should be a clear distinction between taxes on salaries and taxes on business, trade, profession, etc., because the full amount of tax is being collected from the salaried people while only a partial amount, probably not more than fifty per cent. is being collected from business, profession and callings. If the rate is about fifty per cent. higher for business, profession and callings, then after evasion you may get something like the present rate. For instance, there is hardly any lawyer, any doctor, any trader who does not take part of his income in cash and does not show it in his accounts. This is very well known.

DR. B. GOPALA REDDI: Very sweeping remarks.

SHRI AKBAR ALI KHAN: Question.

SHRI P. N. SAPRU: It is a very harsh word.

SHRI AKBAR ALI KHAN: It is very sweeping.

SHRI P. N. SAPRU: I object to these words.

SHRI K. SANTHANAM: There are not many lawyers—I would put it that way.

SHRI SHEEL BHADRA YAJEE: It is a fact, Sir.

SHRI K. SANTHANAM: I think sometimes truth is bitter and I am here to speak the bitter truth.

SHRI N. M. LINGAM (Madras): Generally speaking it is so.

SHRI K. SANTHANAM: All right. There are honourable exceptions for everything. What should we do? The first thing is to increase the rate of tax on them.

DR. B. GOPALA REDDI: On lawyers alone?

SHRI K. SANTHANAM: On professions, business and on callings, where you cannot deduct the tax at the source. If you increase the rate of tax—to say fifty per cent. in the case of these professions and callings . . .

SHRI J. S. BISHT (Uttar Pradesh): Will that not be a violation of the Constitution?

SHRI AKBAR ALI KHAN: On what basis will you discriminate?

SHRI K. SANTHANAM: There is no question of discrimination. Any salaried man will be treated one way; any professional man will be treated another way. There is no constitutional objection. There is nothing unconstitutional in saying that a professional man need not be taxed in the same manner as a salaried man.

SHRI SANTOSH KUMAR BASU: Is it my friend's contention that the taxation policy of a country should depend on the basis that a section of its citizens is dishonest

THE VICE-CHAIRMAN (PANDIT S. S. N. TANKHA): Please let the hon. Member continue uninterruptedly.

SHRI K. SANTHANAM: It is a fact and our taxation policy should be based on facts, not on fiction.

Secondly, I think that a list of taxpayers and the tax paid by them should be published and broadcast as much as possible.

SHRI BHUPESH GUPTA: Like the electoral rolls.

SHRI K. SANTHANAM: For instance, there is nothing to hide when people pay land revenue. There is no secrecy about it. Why should there be any secrecy about income-tax? If wide publicity is given then I am sure there will be a sense of prestige, there will be a sense of fitness that will come into play and no doctor who is getting Rs. 2,000 will show his income as Rs. 200 or Rs. 500. His standing in his own profession will fall. That will be the case with the merchants also. When he says that he is paying income-tax only on Rs. 10,000 then people will not deal with him, the banks will not give him any loan. Therefore, this will ensure that the people at least try to keep their income for taxation at a reasonable level consistent with their status in society.

SHRI H. P. SAKSENA: There are many good points in your argument.

SHRI K. SANTHANAM: You may take the good and leave out the bad. Sir, the time has come for the simplification of income-tax. There is no justification for having a surcharge and a special surcharge. In the old days they were meant to cheat the States of their share of the taxation because these surcharges were meant

exclusively for Central expenditure. Now, after the reform of the company taxation, probably the next Finance Commission will have to recommend that the entire proceeds of income tax will have to be divided among the States and that the Centre should be content with the taxation on companies. I think the Centre can raise more taxes from companies than from individuals and it will be a clean division which will be wholesome for the country. Therefore, it is time to simplify the taxation structure and in the field of company taxation the sooner the exemptions are done away with the better it will be. Sir, people speak of encouragement and rebates for new industries. The expenditure on the Plan—thousands of crores a year—itself constitutes the biggest incentive. All the consumers, especially the upper middle class consumers, all the contractors, all the technicians are full of money and there is no need to give further incentives. The capital will be forthcoming and all these exemptions and rebates should go and it will mean a valuable source of income to the Centre.

Sir, I wish to say—I am trying to make it as brief as possible—a few words about the federal financial relations between the Centre and the States. Now, matters are coming to a curious state. This year—in 1960-61—the Centre is to give about Rs. 729.34 crores, nearly half by way of subventions and grants and half by way of capital loans out of which the States have to repay Rs. 103 crores for repayment of loans and Rs. 61.97 crores for payment of interest. That is to say, it is nearly one-fourth of the amount which is given by the Centre and it is becoming more or less a book adjustment. If things go on at this rate, at the end of the Third Five Year Plan the amount given by the Centre and the amount paid back by the States to the Centre will be equal and the whole thing will be reduced to a mere farce.

DR. B. GOPALA REDDI: That will be a state of self-sufficiency.

SHRI K. SANTHANAM: It will be satisfactory book-keeping without the money passing from one to the other.

Now, I strongly object to the present system of matching grants. This is one of the causes of wastage of money throughout the country. The States are going in for schemes of which they are not enthusiastic because otherwise they could not get the Centre's portion of the matching grant. A State is not anxious to manufacture palmyra jaggery but unless it goes in for palmyra jaggery, the Centre will not give any money. I will give one interesting instance. In Vindhya Pradesh there was no need for Gosadans; the whole State was full of vacant land. But the Centre was giving cent per cent. for some years and 75 per cent. for some years and the Gosadans had to be started because the Minister said that it would give employment to some people. At first the number of cattle that the workers could put in the Gosadans was less than the number of cattle that were eaten away by the tigers but the Gosadans had to be established and their number increased because of this principle of matching grants. I have taken an extreme case in this instance. I do not say that all matching grants are bad or they have not been utilised but there is a tendency for wastage of money in this principle of matching grants. Let the Centre say, 'I shall give only so much money to every State. If you put more in the till you can have a larger programme and if you do not raise any money then you will have a smaller programme.' So let there not be a competition in wastage.

Sir, only one more point. I am glad that the Finance Minister has started the Prize Bonds but I regret to say that the scheme has not been given that start which I expected it would be given.

SHRI BHUPESH GUPTA: But some photographs appeared all right.

SHRI K. SANTHANAM: It was worth starting the bond scheme on a large scale or it was not worth starting at all. From the beginning they should have calculated that they would collect, say, Rs. 100 crores and started with Rs. 50 or Rs. 60 crores worth of bonds in stock. I was in Bombay on the 1st April. Within two hours all the bonds were sold out and the counters were closed. That has been the case everywhere and that is why there has been no publicity for those bonds. Why should the Government launch a scheme in a spirit of hesitancy? If they have no confidence, they should not start a scheme. If they have confidence then they should have seen that every post office, every treasury, every branch of any bank in the country had enough stocks so that the initial enthusiasm could not have been damped by this paucity of bonds.

In this connection, I have to suggest one thing. The 100-rupee bonds are all right but I feel that the 5-rupee bonds should have been made State-wise, because that will ensure a certain minimum number of prizes for each State. Now it may happen—I do not say it will happen—that all the prizes may get concentrated in one area and there may be disappointment. The 100-rupee bond must be national; but the 5-rupee bond must be sold on a State-wide basis.

And finally the peasants should be protected. Today as it is, it is a bearer bond. I think every peasant, every poor man, who buys a bond must be authorised to put his name and have it converted into an owner bond so that anybody who cheats him or who steals it away from him would not be able to get the prize. The prize must go only to the person whose name is put on the bond, this will not create any administrative problem.

Sir, I have not been able to deal with many of the points I wanted to take up, but I thank you for the opportunity you have given me.

SHRI K. K. SHAH (Bombay): Mr. Vice-Chairman, Sir, the Finance Bill does not represent the policy; it is not a policy-making statement. The Finance Bill must interpret the policy of the Government or the policy laid down by Parliament and therefore the Finance Bill should be looked at from the point of view as to whether the socialistic pattern of society which has been accepted by Parliament and the country is reflected in the Finance Bill. Sir, I was very happy when my hon. friend from the Opposition, Mr. Ramamurti, referred to the question of what was the assessed income and what was ploughed back by Government. I thought that by using these figures, he would do justice to the Finance Bill and to the finance department but unluckily in his anxiety to find fault everywhere he missed the bus. He referred to the fact that in 1949-50 the amount assessed was Rs. 615 crores and in 1959-60 the amount assessed was Rs. 1184 crores and his argument was that even though the assessed amount had gone up from Rs. 615 crores to Rs. 1184 crores what was ploughed back was simply Rs. 80 crores approximately; that is, it was Rs. 159 crores in 1949-50 while in 1959-60 it was about Rs. 242 crores. Now, let us examine whether the criticism levelled by Mr. Ramamurti that the rich has become richer and the poor has become poorer is justified by these facts. The taxation structure which has been employed by the finance department, I thought, deserved handsome encomium for the simple reason that an individual on his unearned income paid 84 per cent. maximum income-tax besides paying wealth-tax on unproductive investment.

[MR. DEPUTY CHAIRMAN in the Chair]

Then so far as the public or private limited company is concerned, I think the House realises the change that was brought about last year. First of all 45 per cent. is paid by way of 3 P.M. tax. No rebate is given. The dividend comes into the hands of an assessee after the tax is deducted.

The deduction that is made from the declared dividend and it is only taken advantage of by a man who does not pay a higher tax. But when it comes to a man who earns more than Rs. 30,000, the man instead of getting advantage of the deduction pays about 84 per cent. maximum. Therefore, my friend ought to have known that if the assessed income goes up and if something less is ploughed back, then it means that the number of assesses has increased. The increase in the number of assesses relates to smaller assesseees and not bigger assesseees. From the facts collected I find that in 1949-50 the number of assesseees was 4,45,506, whereas in 1958-59 the number of assesseees was 8,40,137. This shows that the Finance Ministry has succeeded in interpreting the policy and that is, so far as this country is concerned, those who are capable of paying more must pay more and those who are not capable of paying more must not be made to pay more. Everybody pays according to his capacity. That principle has been amply borne out by the taxation proposals which have been brought forward by the Finance Ministry.

Then, Sir, I was amused to find my friend, Mr. Ramamurti, saying that the real wages had gone down. In fact, he said that the common man's income had gone down and people suffered while the rich people had become richer. I hope he realises that in the wage structure, the base of the wage or the standard income, depends upon, first of all, the price of foodgrains. If the price of foodgrains is the base of the wage policy or the cost of living, then he must find out where these foodgrain prices go. Does it go into the hands of the rich man or does it go into the hands of the common man? I find from the statistics collected in the booklet "Estimates of National Income" that this country's national income is about Rs. 11,000 crores, out of which the total agricultural income is 61.9 per cent. In other words, it is Rs. 6,100 crores.

SHRI MAHESWAR NAIK (Orissa): How is it disturbed?

SHRI K. K. SHAH: I shall deal with it, if you have a little patience with me. If my hon. friend is worried I may tell him that I am not in favour of the rich man, I can assure him. The entire property that belongs to a rich man, you can take away and I will be with you. But just see what it comes to. Since he has raised the point, I shall first refer to that. The national income is Rs. 11,000 crores. The population is 35 crores. Therefore nobody can have more than Rs. 300 per year. That means, even if my friend, Mr. Bhupesh Gupta, were the Finance Minister and the Communist system were to work in this country, even then according to the present estimates available, each man cannot use more than Rs. 25 per month and if you want him to use more than Rs. 25 then you must find the money from somewhere else. May I know, even under the Communist system, with the present national income at Rs. 11,000 crores, how you are going to increase the national income? How are you going to industrialise this country? How are you going to have capital formation, unless even under that system, out of the Rs. 25 per month that he is earning, you take away about Rs. 10? That means, even if the Communist system or the socialist system, or whatever system prevails, in the present condition of the country . . .

SHRI BHUPESH GUPTA: May I ask a question, since he was good enough to refer to me? Suppose Mr. K. K. Shah and I go to a shop. He takes the whole of the chicken. I take a cup of tea and he takes a cup of tea. On an average we have taken half a chicken and one cup of tea each.

SHRI K. K. SHAH: I have not followed him.

SHRI BHUPESH GUPTA: Will you explain it to him? Suppose he eats roasted chicken . . .

DR. B. GOPALA REDDI: He is a vegetarian.

SHRI BHUPESH GUPTA: I do not know what system he follows . . .

(Interruption)

MR. DEPUTY CHAIRMAN: Order, order.

SHRI K. K. SHAH: I have given an answer. We both belong to the same profession. You say he is able to eat. I am not able to eat. Why do you take away from me, why do you not let him starve? I do not agree with you there. The law of averages applies when there is not enough. First of all, I referred to the point—and I hope my friend will be good enough to listen to what I say—that 84 per cent. of the income of a man who is capable of paying, is taken back. On the top of it we are charging other taxes. I have made it clear that I do not hold any brief on his behalf. I am only trying to point out that Mr. Ramamurti should have been fair. He should have said that there is no room now for further direct taxation. Unluckily we are forced now to go to indirect taxation. Indirect taxation does not please the Government, if it can be helped.

SHRI BHUPESH GUPTA: From where did they get money for the Kerala election?

SHRI K. K. SHAH: I am used to this kind of interruptions. We have been seasoned lawyers and there are numerous interruptions both by the court and by the other side but we don't miss the point. Therefore, I should like to assure him that it will not help him. I was trying to point out that he was quite right when he had touched the touchstone of the taxation policy of the Government. But having done that, he failed to do justice. Do not run away from the truth and do not find fault with the Government simply for the sake of finding fault. For example, he said that the real wages have gone down. I was speaking on that point. Now, when you say that the real wages have gone down, you cannot say that

[Shri K. K. Shah.]

the national income is Rs. 11,000 crores. If the real wages had gone down, the value of the national income also would have gone down. For example, take the case of a white-collared man. If I have a little more sympathy for him, I think it is justified. If he is earning Rs. 300 today and if he was earning Rs. 250 in 1939, surely you will agree with me that the value of this Rs. 300 has come down to Rs. 150. In the same way, when you talk of wages, it also depends upon the price of the rest of the articles, especially, foodgrains which you are called upon to use. When you speak of real wages, in that connection, it will be wrong to look upon the national income as Rs. 11,000 crores. Then, the average income will not be Rs. 25 per head, per month, but it will be much less. My friend was very eager to find out how the national income was distributed. I would request him to look at Table on page 2 given in the "Estimates of National Income", which has been distributed to all the Members. The total of income from factory establishments and small enterprises, comes to about Rs. 21 hundred crores. Total income from agriculture is about Rs. 61 hundred crores. Then the income from 'other commerce and transport' accounts for Rs. 16 hundred crores. If you like, out of the factory establishments and small enterprises, one half may be taken as going to smaller men and the remaining half to the others. The entire income out of commerce and industry is not therefore more than Rs. 21 hundred crores out of which 1194 crores is taxed. Look at the figures which were quoted by Mr. Ramamurti. When we speak of national income, we must not equate the wages with the national income. It is only production which can be looked upon as national income. I do not know how these calculations have taken place. If an agriculturist's income is Rs. 1,000, and out of Rs. 1,000 if he pays Rs. 500 to labour and the labourer with part of that amount purchases foodgrains, the sum of Rs. 500 with

which he makes purchases cannot be part of national income. Now, surely the price of foodgrains and the amount that he spends for the purpose of purchasing foodgrains, both cannot be national income. The national income is the produce of the foodgrain. If a man has laboured and what he has got from that labour is utilised for the purpose of purchasing foodgrains, it is not national income. If you add that Rs. 500 it is not national income. In the same way, the factory labourer is working in the factory. It is the production in the factory which is national income. The wages earned by the labourers are not national income. Therefore, when we talk of assessed income, we must remember that out of the total income of about Rs. 21 hundred crores, Rs. 1194 crores are assessed. Therefore, to talk glibly that there has been a large scale evasion is not correct. There is evasion. I do not say that there is no evasion. I am prepared to admit that as a lawyer. (*Time bell rings.*) I am grateful to you, Sir, for giving me this time. I would only refer to one argument of my hon. friend, Mr. Santhanam, and it is a very vital argument. That is why I am referring to that. His argument is that in the first year of the Five Year Plan you must take all such steps as you can to tax. But he referred at the same time to the fact that ours is a growing economy. He also agreed that in our growing economy we had reached the maximum taxation limit for direct taxation and we must resort to indirect taxation. When you say that ours is a growing economy, it is wrong to tax in the first year and not to tax in the subsequent four years. On the contrary the Finance Ministry, I am very happy, is watching carefully that the balance is maintained, and whenever the balance is not maintained, you must come before the House and take a little more out of that section which has benefited more. From the taxation proposals—I am sorry the time at my disposal is not enough—I would have been able to prove that the policies that are

followed by the Finance Ministry are completely right. If you tax for the first year and allow the remaining four years in a growing economy to go without mopping up the additional income that has accrued, you will repent. I will therefore take this opportunity to say that the policy that has been followed is the real policy for interpreting the socialist pattern of society.

श्री शीलभद्र याजी : माननीय डिप्टी चैयरमैन महोदय, बजट के आरम्भिक डिसकशन पर मैंने करों का समर्थन किया था, और देश से, तमाम पार्टियों से और सब से अपील की थी कि जब तक देश में पैसे नहीं आयेगे तब तक हमारी द्वितीय और तृतीय पंचवर्षीय योजनाएं नहीं चल सकती है। लेकिन इसके साथ-साथ मैंने यह भी अपील की थी कि जो बड़े-बड़े लोग हैं उनसे टैक्स लिया जाय और जो मध्यम वर्ग के लोग हैं उनसे टैक्स न लिया जाय। इस फाइनेंस बिल के पेश होने के बाद देश में कुछ इधर उधर तूफान खड़े हुए और जनमत के सामने हमारी फाइनेंस मिनिस्ट्री को कुछ झुकना पड़ा, लेकिन ये जो फिल्म वाले हैं, सिनेमा वाले हैं जो लारी लप्पा या क्या क्या गाना गाते हैं, उनको सहूलियत दी गई है। दरअसल जो ट्रक और लारी चलाने वाले हैं, जो पंचवर्षीय योजनाओं में हमारी सहायता करते हैं, जो ऐसे स्थानों में अपनी लारी या ट्रक चलाते हैं, जहां रेल गाड़ी नहीं जा सकती है, जहां हवाई जहाज नहीं जा सकते हैं, और जो मिडिल क्लास के लोग हैं और जिनके लिए उनकी ट्रक या बस ही एक मात्र रोजी का साधन है, उनके ऊपर कोई ध्यान नहीं दिया गया है। फिल्म वाल और बड़े बड़े प्रोड्यूसर, जो लाखों और करोड़ों से कम की बात नहीं करते हैं, जिनकी पैलियां हमेशा भरी रहती हैं, उनको सहूलियत दी गई है, और ये जो बेचारे ट्रक और लारी चलाने वाले लोग हैं, इनकी सुनवाई नहीं हुई है। मैं समझता हूं कि इनके साथ अन्याय

हुआ है। मेरी अभी भी अपील है कि जिस तरह से फाइनेंस मिनिस्टर साहब ने जनमत को देख करके यह कोशिश की कि देश के साथ और देश के जो मिडिल क्लास के लोग हैं, उनके साथ न्याय किया जाय, उसी तरह से लारी और ट्रक वालों के सम्बन्ध में जो करों में वृद्धि की गई है, उसमें भी सहूलियत देने की गुंजायश की जाय।

कुछ माननीय सदस्यों ने बताया कि टैक्स न लगाने से, रुपया न आने से, देश का काम नहीं चल सकता है। यह बात सही है। जब तृतीय पंचवर्षीय योजना हम को चलानी है और ६,६५० करोड़ रुपया खर्च करना है तो फाइनेंस मिनिस्ट्री से मेरा एक सुझाव है कि जब हम समाजवाद के रास्ते पर जा रहे हैं और देश के पूंजीपति या विदेशी पूंजीपति कल-कारखानों को ठीक तरह से नहीं चलाते हैं, तो हमें राष्ट्रीयकरण की नीति अपनानी चाहिये। कुछ दिन पहले हाउस में यह मांग की गई थी कि जो हमारे शेड्यूल बैंक्स हैं उनका राष्ट्रीयकरण हो, लेकिन वह मांग ठुकरा दी गई। बैंकों के साथ साथ यदि हम की इंडस्ट्रीज, बेसिक इंडस्ट्रीज, माइंस आदि का जल्दी से जल्दी राष्ट्रीयकरण करें, समाजीकरण करें, तो हमारे पास बहुत सा रुपया आ जाय और उस रुपये के आने के बाद हम देश का बहुत सा काम कर सकते हैं और हम हर योजना को अच्छी तरह से चला सकते हैं। इस के साथ साथ जो प्रैस बिजनेस लाइन पर चलाये जाते हैं, इंडस्ट्री की लाइन पर चलाये जाते हैं, उनका भी राष्ट्रीयकरण करने की आवश्यकता है। हमारे फंडामेंटल राइट्स में प्रेस और अखबारों को आजादी दी गई है। इस लिये जो अखबार किसी पार्टी के नाम पर चलाये जाते हैं, जो किसी पार्टी के आर्गन है, तो वैसे ही चलते रहें। लेकिन जो अखबार या प्रेस टाटा, बिड़ला, डालमिया आदि बड़े बड़े लोगों के द्वारा बिजनेस लाइन पर चलाये जाते हैं, उनका राष्ट्रीयकरण

[श्री शीलभद्र याजी]

सब से पहले होना चाहिये क्योंकि वे रुपया भी कमाते हैं, वर्किंग जर्नेलिस्ट्स को पैसा भी नहीं देते हैं और सरकार को भी दिन रात गालियाँ देते हैं। इसमें कोई फंडामेंटल राइट्स की बात नहीं आती है। इसलिये सबसे पहले हमें इस प्रेस को संभालना चाहिये और हमारे फाइनेंस मिनिस्टर को ऐसा बिल लाना चाहिये जिससे जो इंडस्ट्री की तरह प्रेस चलाये जाते हैं उनका राष्ट्रीयकरण जल्दी से जल्दी हो जाय। हाँ, जो पार्टी के आर्गन्स हैं उनको वैसे ही चलने दिया जाय। इस तरह बड़े बड़े प्रेसों का राष्ट्रीयकरण करने से हमारे पास पैसा भी काफ़ी आयेगा, हम वर्किंग जर्नेलिस्ट्स को भी अच्छी तरह से पैसा दे सकते हैं और हम जनता को भी प्लानिंग माइंड बना सकते हैं। हम अपनी योजनाओं को सफल बनाने के लिये पूरी कोशिश करते हैं, लेकिन ये जो हमारे पूँजीपतियों के प्रेस हैं, ये एकदम प्लानिंग के खिलाफ हैं और जनता के दिमाग को खराब करते रहते हैं।

श्री सत्यचरण (उत्तर प्रदेश) : क्या मैं यह समझूँ कि माननीय सदस्य का यह अभिप्राय है कि पत्रकारिता का राष्ट्रीयकरण कर दिया जाय ?

श्री शीलभद्र याजी : जी नहीं, मेरा मतलब यह नहीं है। मैं ने फंडामेंटल राइट्स का हवाला दे कर कहा है कि जो पार्टीज़ के आर्गन्स हैं, जो एक विचारधारा का प्रचार करते हैं, उनको वैसे ही चलने दिया जाय। लेकिन जो बड़े बड़े पूँजीपतियों के द्वारा रुपये पैसे के लिये प्रेस चलाये जाते हैं, उन का राष्ट्रीयकरण किया जाय।

तो मैं यह कह रहा था कि जो ऐसे बड़े-बड़े कल-कारखाने और उद्योग हैं जो ठीक तरह से नहीं चल रहे हैं, या जो बड़े बड़े बैंक्स हैं, या इंडस्ट्री की लाइन पर चलने वाले बड़े बड़े प्रेस हैं, उनका यदि हम जल्दी से जल्दी

राष्ट्रीयकरण कर लें, तो हमारे पास इतना पैसा आ जायगा कि हमको साइकिल वालों पर, ट्रक वालों पर और सिनेमा वालों पर टैक्स लगाने की ज़रूरत ही नहीं पड़ेगी। इस के साथ साथ जब हमारे पास इतना पैसा आ जायेगा तो हमारी सारी योजनाएँ जल्दी से जल्दी पूरी होंगी और हम को न अमेरिका की तरफ देखना पड़ेगा और न रूस की तरफ देखना पड़ेगा। इसलिये जो हमारी को इंडस्ट्रीज़ हैं, बेसिक इंडस्ट्रीज़ हैं, बड़े-बड़े बैंक हैं, जो बिज़नेस लाइन पर चलने वाले प्रिंटिंग प्रेस हैं, इनका जल्दी से जल्दी राष्ट्रीयकरण होना चाहिये।

अन्त में मैं फाइनेंस मिनिस्टर साहब से फिर अपील करूँगा कि ये जो हमारे ट्रक वाले हैं, लारी वाले हैं, इनकी लाइनों की तादाद है, ये हमारी योजना के कामों में बड़ी सहायता करते हैं, ये ऐसे स्थानों में अपनी लाइयों और ट्रक चलाते हैं जहाँ रेलगाड़ी नहीं जा सकती हैं और जहाँ कोई साधन नहीं है, और ये बेकारे मिडिल क्लास के गरीब लोग हैं, इसलिये इनको टैक्स में जल्दी से जल्दी रियायत मिलनी चाहिये। मैं समझता हूँ कि यह जो अभी दस बारह दिन की हड़ताल हुई और जिसमें उन्होंने अपनी आवाज़ उठाई, वह ऐसे मिडिल क्लास के लोगों से सम्बन्धित थी जो अपना जीवन बड़ी मुश्किल से चलाते हैं। इसलिये यह जो इतने दिन की हड़ताल चलाई गई वह किसी पार्टी के असर में आ कर नहीं चलाई गई। उनको वाज़िब माँग थी और मैं समझता हूँ कि फाइनेंस मिनिस्टर जनमत को ठुकरायेगी नहीं बल्कि उनके साथ ज़रूर रियायत करेगी।

श्री राम सहाय (मध्य प्रदेश) : उप-सभापति महोदय, यह फाइनेंस बिल जोकि हमारे सामने विचार के लिये है इसने आमदनी और खर्च से सम्बन्ध रखने वाले लगभग ७ एक्ट्स को तरमोम कर दिया है। मैं इस बात में विश्वास करता हूँ कि गवर्नमेंट इस

बारे में बहुत अच्छी तरह से विचार कर सकती है कि टैक्सेशन किस प्रकार से होना चाहिये और निश्चय ही वह ऐसा करती है और इसमें शुबहा नहीं कि फाइनेंस बिल में जो टैक्सेशन किया गया है वह बहुत ही विचारपूर्ण तरीके से किया गया है।

इन टैक्सेज के सम्बन्ध में मेरा एक ही नम्र निवेदन है और वह यह है कि मेरा यह खयाल है कि जनता को टैक्सेशन से उतना दुःख नहीं होता है जितना कि उसको वसूल करने के लिये अफसरान द्वारा जो पद्धति और तरीके अस्तित्वार किये जाते हैं उनसे होता है। मेरा ऐसा निवेदन है कि फाइनेंस मिनिस्टर महोदय इस बारे में खास तौर पर विचार करें कि जो मौजूदा पद्धति टैक्सेज को वसूल करने की है उसमें किसी प्रकार के रद्दोबदल करने की आवश्यकता है या नहीं। मैं मिसाल के तौर पर बताना चाहता हूँ कि इंकमटैक्स आफिसर्स को जो इतनी आर्बिटरेरी पावर्स दी गई हैं उनका वह जुडोशसली इस्तेमाल ही इस्तेमाल नहीं कर सकते और न करते हैं। कई मिसालें इस प्रकार की मौजूद हैं जहां कि वह अपने स्वार्थ के लिये या अपने नाम के लिये गलत तरीके पर उनका इस्तेमाल करते हैं। मैं अपनी ही एक मिसाल वैल्थ टैक्स के सम्बन्ध में आप के सामने बताता हूँ। यह बिल्कुल सही है और टु दि प्वाइंट है और उसमें किसी प्रकार का मुबालिगा या लेश-मात्र भी असत्य नहीं है और मैं समझता हूँ कि फाइनेंस मिनिस्टर साहब इस बारे में खास तौर पर गौर करेंगे। मैं निवेदन करता हूँ कि अभी हाल में मेरी जायदाद का, मेरे मकानात का, म्युनिसिपैलिटी से जो तखमीना लगाया गया था उसमें उनकी कीमत ८५ हजार रुपये के करीब थी लेकिन वैल्थ टैक्स इन्स्पेक्टर महोदय को न मालूम किस प्रकार से वैल्थ टैक्स आयद करना था कि उन्होंने उसकी कीमत ८५ हजार रुपये के बजाये लगभग १ लाख ८५ हजार रुपया मुकर्रर कर दी, यानी लगभग १ लाख रुपये बढ़ा

दी, दुगुने से ज्यादा कर दी। मुझे इसमें भी कोई आपत्ति नहीं है क्योंकि उनका असेसमेंट का तरीका इस प्रकार का हो सकता है कि इस तरीके से कीमत बढ़ा सकते हों और सम्भव है कि वह मेरी समझ में नहीं आया हो और वह सही हो लेकिन मुझे ताज्जुब तब हुआ जबकि १ लाख ८५ हजार रुपये करने के बाद भी वे इस स्थिति में नहीं हुए कि टैक्स ले सकें। इसके बाद उन्होंने यह तरीका अस्तित्वार किया कि फर्नीचर की कीमत ५ हजार रुपये मुकर्रर कर दी जबकि मैं बिल्कुल निश्चय से, दावे से, कह सकता हूँ कि मेरे पास सारे घर भर में शायद सौ या दो सौ रुपये से ज्यादा का फर्नीचर नहीं है। इसी तरह से कैश इन हैंड की बात थी, बिल्कुल थोड़ा सा रुपया पैसा था और जो बैंक बैलेंस था उसकी पास बुक उनके पास भेज दी गई थी लेकिन उसके अलावा उन्होंने ५ हजार रुपया कैश इन हैंड मुकर्रर कर दिया। तो ये दो चीजें इस प्रकार की हैं जोकि बिल्कुल असत्य हैं और बिल्कुल ही आर्बिटरेरी तरीके पर एसेस कर दी गई हैं। जब कि एक आदमी का स्टेटमेंट है और उनके पास उसको बढ़ाने का कोई कारण भी नहीं है तब भी उन्होंने बढ़ा दिया। मेरा यह निवेदन है कि मैं कोई अपनी शिकायत को हाउस के सामने नहीं पेश कर रहा हूँ। मैं तो यह इस वजह से निवेदन कर रहा हूँ कि उनको असेसमेंट करने के लिये जो आर्बिटरेरी अस्तित्वार दिये गये हैं उनका बहुत ही ज्यादा दुरुपयोग होता है और इससे जनता को बहुत परेशानी होती है। मैं समझता हूँ कि उस जगह पर ऐसे योग्य व्यक्ति रखे जायें जोकि जुडोशसली अपने अस्तित्वारात का इस्तेमाल कर सकें या उन लोगों पर इस प्रकार का नियंत्रण ग्वा जाय कि वे इस प्रकार की बात नहीं कर सकें। तो इस बारे में काफी गौर करने की आवश्यकता है।

[श्री राम सहाय]

दूसरे, स्टेट ट्रेडिंग के सम्बन्ध में मेरा यह निवेदन है कि कहा यह जाता है कि स्टेट ट्रेडिंग काश्तकारों के लाभ के लिये है—मैं ५० वर्ष से जब से कि मैं ने अपना होश सम्हाला है उस वक्त से काश्तकारों का प्रतिनिधित्व करता रहा हूँ और मैं जानता हूँ कि स्टेट ट्रेडिंग से किस प्रकार से काश्तकारों का नुकसान होता है। इस लिये नहीं कि स्टेट ट्रेडिंग बुरी चीज है, स्टेट ट्रेडिंग तो निश्चय ही फूडग्रेन्स में बहुत ही अच्छी चीज है, लेकिन मैं यह समझता हूँ कि इस वक्त हमारी गवर्नमेंट इस परिस्थिति में नहीं है कि वह स्टेट ट्रेडिंग को कंट्रोल कर सके। एक छोटी से छोटी मंडी से हजार हजार और डेढ़ डेढ़ हजार गल्ले की गाड़ियाँ आती हैं और वे गाड़ियाँ आज कल वहाँ बिक नहीं पाती हैं क्योंकि साहूकारों के साथ इस तरह का बर्ताव कर दिया है कि उन्हें बैंक वगैरह से तुरन्त क्रेडिट नहीं मिल पाता है और उस की वजह से मंडी में पैसा नहीं रहता है और मंडी में सूद का भाव पहले से दुगुना और तिगुना हो गया है; तो इस के कारण काश्तकारों को बहुत तकलीफ होती है। इसके अलावा जो स्टेट्स हैं वे अपनी संकुचित विचारधारा के कारण और अपनी हालत को देखते हुए बिना मुसीबत उठाये आसानी से एडमिनिस्ट्रेशन चला सकें इसके कारण वे इतना गलत व्यवहार करते हैं कि मैंने देखा है कि छत्तीसगढ़ इलाके में चावल के किसानों को बहुत नुकसान हुआ है। वहाँ मंडियों में गेहूँ ११ १/२०, १२०, १२ १/२० या १३० मन तक बिकता है जबकि गवर्नमेंट द्वारा उसके भाव १३०, १४०, १५० या १६० मन मुक़रर किये गये हैं और फिर गेहूँ बम्बई में २०० और २५० मन बिकता है। तो आप गौर कीजिये कि काश्तकारों को तो कीमत आधे से कम मिली

और कहा यह जाये कि काश्तकारों के लाभ के लिये यह बात की जा रही है तो मैं नहीं समझता कि यह किस तरह से मुनासिब है। कहा जाता है कि स्टेट ट्रेडिंग में गवर्नमेंट की तरफ से, खरीद होगी और वह खरीदती भी है लेकिन वह खरीदारी किस प्रकार से होती है यह देखिये। कहते हैं कि २०० बोरी का लाट खरीदेंगे। अब आप बताइये कि एक किसान २०० बोरी का लाट कहां से लायेगा, किस तरह से मुहैया करेगा और किस तरह से बेचेगा? तो खरीद फरोस्त के जितने भी तरीके अस्तित्व में किये जा रहे हैं वे सब बहुत ही नामुमकिन हैं। इसके लिये नये नये क्लर्क्स रख लिये जाते हैं जिनकी कि ५० ६० से १०० ६० तक तनख्वाह होती है और उनसे आशा यह की जाती है कि वे हजारों रुपयों के गल्ले की खरीदारी का काम ईमानदारी से करें। उनको अपनी सर्विस का भी ठिकाना नहीं है क्योंकि उन्हें आप टैम्पोरेरी रखते हैं, वे पर्मानेंट सर्विस के होते नहीं हैं और इसका नतीजा यह होता है कि वे जितना भी करप्शन कर सकते हैं वह करते हैं। मैं उन व्यक्तियों में से नहीं हूँ जो कि यह समझते हैं कि शासन में करप्शन बढ़ रहा है, मेरा तो यह निश्चित मत है कि करप्शन बहुत हद तक कम हुआ है और निश्चय ही थोड़े दिनों के अन्दर बिल्कुल खत्म हो जायेगा लेकिन मैं समझता हूँ कि इस बारे में जो दिक्कतें हैं उनको देखने की आवश्यकता है और इस बात पर गौर करने की आवश्यकता है कि इस तरह की जो हालत है उस पर किस तरह से कंट्रोल किया जाये।

कहा यह जाता है कि गल्ले के सम्बन्ध में से स्टेट्स को पूरा अस्तित्व है कि वे जिस तरह चाहे अपना कारोबार करें लेकिन मेरा यह निवेदन है कि जहाँ काश्तकारों को और रियाया को आम तौर पर तकलीफ होती है वहाँ सेंट्रल गवर्नमेंट का यह कर्तव्य और फर्ज होता चाहिये कि वह इस मामले में इंटरफियर करे। वैधानिक तरीके पर इस प्रकार का इंटरफियरेंस ठीक है भी। हमारे कांस्टीट्यूशन

में ३०१ से ३०७ तक जो अनुच्छेद हैं कामर्स और ट्रेड को कंट्रोल करने के लिये—अनुच्छेद ३०७ है—उसके तहत पार्लियामेंट द्वारा सेंट्रल गवर्नमेंट को यह उचित है कि वह एक ऐसी अथारिटी मुकर्रर किये जाने का प्रयत्न करे जो कि यह भली प्रकार से देख सके कि ट्रेड और कामर्स की जो गतिविधियां स्टेट्स में चल रही हैं वे ठीक तरह की हैं या नहीं।

(Time bell rings.)

चूंकि मेरा समय समाप्त हो गया है इसलिये मैं इतना ही निवेदन करूंगा कि मुझे ठीक मालूम नहीं है कि धारा ३०७ के तहत कोई अथारिटी मुकर्रर की गई है या नहीं, मेरा ख्याल है कि ऐसी अथारिटी नियुक्त नहीं है और अगर है तो उसे ऐसा करना चाहिये कि वह अपना कार्य ठीक तरह से करे और अगर नहीं है तो उसे नियुक्त कराना चाहिये। धन्यवाद।

श्री पा० ना० राजभोज : माननीय उप-सभापति जी, मैं आपको धन्यवाद देता हूं कि आपने मुझे इस बिल पर बोलने का मौका दिया। मैं माननीय फाइनेंस मिनिस्टर साहब को भी इस बात पर धन्यवाद देता हूं कि उन्होंने जो टैक्स कंसेशंस दिये उनसे बिल की रिजिडिटी कम हुई। विशेषतः फिल्म पर जो टैक्स लगाया था वह जरा सा कम किया गया है। अग्रिकल्चरल ट्रेक्टर्स को कर से मुक्त किया गया इसका भी मैं स्वागत करता हूं। मेरे पूर्व वक्ता ने कहा कि जब सिनेमा फिल्म के ऊपर रियायत दी गई है तो मोटर लारियों के ऊपर नये कर को अवश्य खत्म कर देना चाहिये क्योंकि इससे पंचवर्षीय योजना में माल को इधर से उधर ले जाने में सहुलियत होगी। इसके अलावा मेरा ख्याल है कि मध्यम वर्ग के लोग मोटर ट्रक चलाते हैं और इनको जरूर सहुलियत मिलनी चाहिये।

इस वर्ष के बिल का मुख्य धोरण यह मालूम पड़ता है कि सरकार अप्रत्यक्ष कर

द्वारा पैसा प्राप्त करने के उपाय का ज्यादा अवलम्बन कर रही है। लेकिन मैं आपको यकीन दिलाना चाहता हूं कि उससे कोई नतीजा निकलने वाला नहीं है और सरकार इनके जरिये जो मसले बेकारी और बेरोजगारी को हल करना चाहती है वे भी हल नहीं हो सकेंगे। सरकार को तो इसके वास्ते डाइरेक्ट टैक्सेशन की ओर देखना चाहिये था क्योंकि अगर यह टैक्स ठीक तरह से वसूल हो और उसका इस्तेमाल ठीक तरह से हो तो सरकार को इससे बहुत काफी रकम प्राप्त हो सकती है जो कि वह मुल्क की तरक्की करने में लगा सकती है।

आज सरकार के सामने देश की खेती की पैदावार बढ़ाने का सबसे बड़ा और पहला सवाल है। उसके लिये सरकार को ऐसे जरिये ढूँढने चाहिये जिनसे मुल्क में अनाज की पैदावार बढ़ सके और हमारे देश से गरीबी और बेकारी दूर हो सके। हमारे देश में काफी तादाद में बंजर और परती जमीन पड़ी हुई है और सरकार का ध्यान इस बंजर जमीन को तोड़ कर खेती लायक बनाने की ओर जाना चाहिये। इससे अनाज की पैदावार बढ़ेगी ही किन्तु बेरोजगारी भी बहुत हद तक दूर हो सकेगी। जमीन बांटने की एक योजना बना कर इस प्रश्न को प्रायोरिटी देनी चाहिये। बहुत से लोग, जैसे आदिवासी लोग हैं, हरिजन भाई हैं इनको सरकार थोड़ा बहुत जमीन देने की कोशिश कर रही है लेकिन उनकी आर्थिक समस्या को हल करने के लिये सरकार को ज्यादा से ज्यादा बंजर जमीन उनको देने के लिये कोशिश करनी चाहिये।

एक और बात पर आपका ध्यान खींचना चाहता हूं और वह यह है कि शासन का ध्यान शहरों की ओर अधिक जाता है और देहातों को नग्लेक्ट किया जा रहा है और आज हालत यह है कि देहातों में बेसिक एमनिटीज जैसा

[श्री पा० ना० राजभोज]

कि पीने का पानी है, वह उपलब्ध नहीं है। तो उनको पीने का पानी उपलब्ध कराने की ओर ध्यान देने की आवश्यकता है। दूसरी मेरी प्रार्थना यह है कि आप जानते हैं कि देश की काफी बड़ी आबादी आज स्लम्स में रह रही है और उनकी रिहाइश का बहुत ही असमाधानकारक इन्तजाम है। तो आज जो पैसा वेस्ट हो रहा है उसको यदि गरीब हरिजन, आदिवासी, पिछड़े वर्ग की उन्नति के लिये खर्च किया जाये तो बहुत से प्रश्न हल हो सकते हैं। लेकिन वह ठीक तरह से खर्च नहीं होता है, बेजा ढंग पर खर्च होता है और वास्तव में भलाई के कामों में कम खर्च होता है। इसके अलावा बहुत सा पैसा तो लैप्स हो जाता है। इसलिये फाइनेंस मिनिस्टर से मैं प्रार्थना करता हूँ कि जितनी रकम मंजूर होती है वह रकम पूरी की पूरी खर्च होने की आवश्यकता है।

ये जनरल बातें कहने के बाद अब मैं टैक्सेशन प्रपोजल्स के सिलसिले में भी कुछ कहना चाहता हूँ। सबसे पहली बात है; उत्पादन करने वाली सहकारी संस्था पर जो इन्कम टैक्स लगाया है उसके सिलसिले में। आप जानते हैं महाराष्ट्र में और अन्य दक्षिण राज्यों में उत्पादन का काम सहकारी तरीके पर हो रहा है और इनको सुविधाएं देना जरूरी है। जो कुछ कंसेशंस दिये गये हैं वे कम हैं। पावर इस्तेमाल करने वाली सहकारी संस्था पर टैक्स लगाने से महाराष्ट्र का शक्कर उत्पादन का धंधा बैठ जायेगा। उसको प्रोत्साहन न मिलने की वजह से वह धंधा बन्द करना पड़ेगा क्योंकि यह जो सहकारी संस्था अस्तित्व में आई है इनमें काफी संस्थाएं ऐसी हैं जिनके सदस्य सिर्फ तीन एकड़ जमीन के मालिक हैं। और हम शक्कर का उत्पादन पावर मशीनरी से करने को डिसकुरेज कर रहे हैं। हमारी पालिसी बैटर टैक्नीक उपयोग में लाने के लिये सहाय्यता देने की होनी चाहिये। मेरी प्रार्थना है कि

सरकार इस बात पर ध्यान दे। बम्बई राज्य सहकारी साखर कारखाना संघ की तरफ से २६ मार्च, १९६० को जो मेगोरेण्डम दिया गया है उसके ऊपर ध्यान देने के लिये मैं फाइनेंस मिनिस्टर साहब से प्रार्थना करूंगा। बम्बई राज्य को शुगर इंडस्ट्रीज के बारे में चित्रण किया गया है और उसमें श्री गाडगिल का भी नोट दिया है जिसकी ओर मैं आपका ध्यान खींचना चाहूंगा।

मेरी दूसरी प्रार्थना यह है कि हरिजन और आदिवासी विद्यार्थियों को फारेन एक्सचेंज के अभाव में विदेशों में जाकर उच्च शिक्षा लेने से वंचित नहीं होना चाहिये। फारेन एक्सचेंज सम्बन्धी सब सहाय्यताओं उनको मिलने की आवश्यकता है। कई प्रकार की ऐसी बातें हैं जैसे सामाजिक संस्थाएं हैं उनके ऊपर सरकार ने टैक्स लगाया है। लेकिन दान धर्म यानी चैरिटी करने वाली संस्थाओं के ऊपर सरकार ने जो टैक्स लगाया है वह कुछ कम होना चाहिये। इसी सम्बन्ध में मुझे यह निवेदन करना है कि जैसे हर एक बातों के ऊपर टैक्स कम हो रहा है वैसे ही भारत दलित सेवक संघ ने कर सम्बन्धी जो प्रस्ताव रखा है उस पर ध्यान दिया जाये। भारत दलित सेवक संघ ने एक सेमीनार शिमला में बुलाया था और उसमें जो ठहराव पास हुआ उसका एक अंश मैं आपको पढ़ कर सुनाता हूँ :

"This Seminar regrets to note that the imposition of an excise duty of 15 per cent on shoe components manufactured by power units has adversely affected many small scale industries run by Scheduled Castes and acted in a manner detrimental to their welfare. Moreover it acts as an unnecessary burden on the poor consumer. Therefore it appeals to the Government of India to withdraw the cess completely from the small power units."

मेरी दूसरी प्रार्थना यह भी है कि सरकार ने जैसे हैंडलूम, खादी, . . . इनके लिये

विशिष्ट स्कीयर आफ प्रोडक्शन आरक्षित किया है वैसे ही जूते के बारे में करना चाहिये और वह यह है कि आठ रुपये के अन्दर का देशी जूता और सोलह रुपये के अन्दर का विदेशी जूता स्माल स्केल और काटेज यूनिट्स के लिये आरक्षित किया जाए और इसके लिये गवर्नमेंट को एक्साइज का पैसा कम मिला तो उसकी भरपाई दूसरी जगह बड़े यूनिट्स पर सेस लगा कर निकालना चाहिये। इससे जो हरिजन लोग उन उद्योगों में हैं उनकी आर्थिक और औद्योगिक प्रगति में मदद मिलेगी। इस बारे में मैं स्टेट्यूटरी लेटर बोर्ड की स्माल स्केल और काटेज यूनिट्स की स्थापना के लिये मांग करता रहा हूँ।

मेरी एक और प्रार्थना यह है कि देहातों में जो लोग चमड़े का धंवा करते हैं उनको स्माल स्केल इंडस्ट्रीज के जरिये से धन देने की बहुत आवश्यकता है। खास तौर पर मैं शेड्यूल्ड कास्ट की बाबत अर्ज करना चाहता हूँ कि हालांकि उनकी भलाई के लिये ६१ करोड़ रुपया खर्च हो रहा है लेकिन हर साल हम देखते हैं कि उसमें से ४५ करोड़ रुपया भी खर्च नहीं हो पाता है और बाकी पैसा वापिस हो जाया करता है। इस प्रकार ग्रान्ट लैप्स होकर उनका बड़ा नुकसान हुआ है। इसलिये स्टेट गवर्नमेंट्स को और हमारी होम मिनिस्ट्री को उनकी आर्थिक, सामाजिक, शैक्षणिक उन्नति के लिये कार्य करने की और अधिक आवश्यकता है। (Time bell rings.) और भी बहुत सी बातें हैं लेकिन उनको कहने का मेरे पास वक्त नहीं है। भारत दलित सेवक संघ ने बहुत सी सिफारिशें बजटरी रिकमंडेशन के सम्बन्ध में की हैं।

इसके प्रस्ताव मैं निवेदन करता हूँ कि चीन के प्रधान मन्त्री चाउ एन लाई के साथ हमारे प्रधान मन्त्री पं० जवाहरलाल जी ने जो कड़ा रुख अपनाया है उसका मैं समर्थन करता हूँ और यह भी आशा करता हूँ कि चीन की फौजें

भारत के इलाके से हट जायेंगी। बार्डर की रक्षा करने के लिये मिलिटरी पर ज्यादा से ज्यादा खर्च होना चाहिये। तब तक हमारा देश सब प्रकार से समृद्ध नहीं होगा जब तक कि हमारी योजना सफल नहीं होगी। हमारे प्राइम मिनिस्टर ने जो पालिसी रखी है उसका हम सबको समर्थन करना चाहिये।

MR. DEPUTY CHAIRMAN: Dr. Gopala Reddi.

DR. B. GOPALA REDDI: I thought Mr. Bose was speaking; you have not called him. I have no objection.

MR. DEPUTY CHAIRMAN: Shri Sri Rama Reddy.

SHRI N. SRI RAMA REDDY (Mysore): Mr. Deputy Chairman, Sir, I rise to extend my warm welcome to this Finance Bill. Sir, this Bill is framed in conformity with our social objective, namely the establishment of a socialistic pattern of society, a co-operative commonwealth, through democratic methods of Government. We have been steadily marching ahead, Sir, towards this goal, and our Finance Minister who has kept up to this pattern generally deserves to be congratulated by this House. The management of the public finances of a great country like ours with a view to ultimate production of a self-sustaining and self-generating economy is beset with great complexities, yet bold approaches have been made to this economic problem of the country for we cannot build a great future by timid approaches.

Sir, the main obstacle in our economic development has been the growth of population. It is said that our population is growing at the rate of 8 million a year. Though vigorous attempts are made by our Finance Minister in spending for the economic development of the country—amounts which look like astronomical figures—yet the drag of increase of population seems to be consuming all the extra wealth produced. Thus, a

[Shri N. Sri Rama Reddy.]

phenomenon of severe strain is noticed in our economic development. If our population increases at the rate of 1.8 per cent. per annum, as is said to be the case, or say by 2 per cent. in round figure, and if the wealth of the country also increases by 2 per cent. per annum, how can we progress? The position would be static. Even if you liquidate the entire rich class who, even according to our Communist friends, may not number more than 4 or 4½ lakhs of families in the entire country, the problem of our poverty remains, and wealth is not produced or increased as is the main object of our Plan of economic development.

I am very happy, Sir, that our able Finance Minister has kept this in view and aims at primarily increasing the national wealth through all means available in the country—be it the public sector or the private sector—at a rate far exceeding the growth of population. The object is said to be to double the national income by 1967-68 and to finally achieve the doubling of the *per capita* income of the country by 1973-74 even though the rate of population is increasing by 2 per cent. per annum.

This naturally calls for sacrifices by one and all. Those that are capable of bearing direct taxes must be willing to do so. I know that the present tax structure of the country in the form of direct taxes like wealth-tax, estate duty, super-tax, income-tax, etc. are such that they can never make a rich man richer as the Opposition has sought to make out. Well, Sir, under a faithful system of tax collection and tax payment, the incidence of richness will, in course of years, be reduced to a very desirable optimum level. There are instances of 113 or even 120 per cent. of tax levied on income. It is but right that the tax structure should be so framed as to reduce the far too rich people to an optimum level. Therefore, in this direction all

the direct taxation measures undertaken by our Finance Minister require to be given a hearty welcome by every one of us assembled here in this House and also in the country outside.

Sir, our friends of the richer classes should not grudge this. They must very willingly pay taxes. Evasion of income-tax or other taxes should be considered an anti-social act. I am very happy that our Finance Minister is giving a go-by to all secrecy of records of an individual assessee. This only shows his earnestness to put an end to evasion of tax. It is true, Sir, that there is large-scale evasion of tax but this is a social evil. I am convinced that the Finance Minister is doing everything possible in his power to combat this social evil.

In this connection I would like to point out to both the richer classes of people as well as to our ultra-Communist friends that to the extent our rich friends—be they industrialists, bankers or merchants—agree to pay taxes faithfully and honestly, they save democracy for us in this country. Sir, in a country like Britain which is one of the most advanced countries in the world industrially, if today there are only 190 persons who had a net income of £6,000 a year after payment of taxes as per 1955 figures, does it not show that democracy is an effective answer to the problem of mass poverty?

On a closer examination we find the strange phenomenon, *viz.* that the range of inequality of income is far greater in Communist Russia than in semi-capitalist Britain or capitalist U.S.A.

I have seen, Sir, very recently a publication in the Press that notwithstanding collectivisation so ruthlessly practised in the U.S.S.R. for nearly 40 years now, more than 80 per cent. of the country's egg production is secured from private farms and more than 50 per cent. of milk

and butter production also is secured from private farms. This points out to the utter futility of nationalisation or collectivisation of human economic activity as the only means of economic development.

Sir, our socialism is not distribution of poverty. Our democracy is not just giving or taking of votes. Our democracy is a way of life where everyone is assured of his freedoms of course, subject to such limitations as the public good demands. In this context—this is fully borne out by the Finance Bill—while conceding the right of the public sector in all important basic industries, our Plans have left enough room for private enterprise. This is a fitting tribute to our socialism on the one hand and to our democracy on the other. So far with regard to the financial affairs or the tax structure of the country.

Now, Sir, I would like to lay stress upon one salient factor of our economy, viz. the agricultural sector. It is said that about 71 per cent. of the people here are dependent upon agriculture. Now, what is the national income derived from the agricultural sector? It is shown here as little less than 50 per cent. of the total national income. If that be so, I would like to request the Finance Minister to ponder over the entire affair. If 71 per cent. of the total population depends upon 50 per cent. or a little less than 50 per cent. of the total national income, how can we bring about the socialistic pattern of society, I would like to know. With this anomaly existing, is it ever possible to bring about a socialistic pattern of society?

Sir, as I said once before, the pressure on the land is too great. Too great a number of our people are dependent upon land. Not only people, but too great a number of livestock are also dependent on the land. While planning for reduction of population we should plan for reduction of cattle population also that is dependent on land. Of course,

it is very well known that family planning has got to be popularised, popularised on a national scale so as to bring down the population to the 'optimum' level. We are having 200 million cattle, far greater than any country in the world possesses. They derive their sustenance from the same land on which we depend. Therefore, there is a necessity to reduce the cattle population of the country. Unless we do that, the agricultural economy of the country cannot be said to be very sound. Even the importance of the cattle, on account of the motor coming into the field, is getting less and less. After all, in course of time, with the development of co-operative farming etc. it is quite possible that the cow or buffalo will be required only for giving milk and not for any other purpose. Already more than 80 per cent. of the traction on the road has been replaced by lorries. What guarantee is there, who can predict that the work on the farm will not be replaced more and more by motor power? Already the encroachment of the diesel engine and motor is there on the farms also. That means we have to put in more 'milk character' in the cow or buffalo. We have to lay a proper foundation in this respect also.

One word more. Dairy development and marketing work is being undertaken by the country and it is not going, once again, on right lines. We have sworn by democracy, we want democratic institutions to be built up everywhere. But what is happening? The bureaucratic system of working the dairies in every State is being practised. We have the monumental example of the democratic institution of the Kaira District Co-operative Milk Union which has achieved results, far beyond the expectations of the founders of that institution itself but all that experience is being brushed aside and bureaucratic methods of establishing dairies, as is happening in Delhi, are followed. Why should it be so? We want democracy to flourish, flourish at every stage. Nobody should be

[Shri N. Sri Rama Reddy.] deprived of his opportunity to build up our country according to our dreams on democratic lines. So I earnestly suggest to the Finance Minister—I myself am a dairy man—that democratisation should be taken to, at all levels.

DR. B. GOPALA REDDI: Mr. Deputy Chairman, Sir, this is the third occasion when this hon. House is discussing the Budget and the taxation proposals, first on the General Discussion on the Budget, then on the Appropriation Bill and now, lastly, on the taxation proposals. I am sorry to find that there is not much difference between one discussion and the other, whether it is General Discussion on the Budget or whether it is on taxation proposals or on appropriation by the various departments. When I find that the same ground is being covered, I do not know whether something could be done, whether we could allow all these things to be discussed on all the three occasions or whether we could devise some method by which they could be compartmentalised. That is a suggestion which I want to make. Anyhow there is the theory that anything under the sun can be discussed—that is the usual phrase.

Now, a large variety of subjects have been covered on all the occasions—whether it is China or whether it is the economic factor that is operating, whether it is the Commonwealth Conference which the Prime Minister is attending and whether South Africa should be or should not be discussed there—all these matters have come in for a good deal of discussion this time. Certainly it is very encouraging that very few people have spoken about the taxation proposals. It shows that they have tacitly approved of all the taxation proposals and they have 'taken off'. It is a 'take-off discussion. They did not want to live on the terrestrial globe but they wanted to take off to the other subjects and talk about

China, South Africa and other subjects. So, in a way, I take it that hon. Members are generally in agreement with the taxation proposals of the Government. So far it is quite a welcome thing and I appreciate the leniency with which the Government was let off, as far as the taxation proposals are concerned.

I first come to Mr. Ghosh's speech again. It is very pleasing to hear him because he is a very good speaker, he has a nice voice also and it was also very pleasing to hear him, the other day also and today also he made a very nice speech.

SHRI H. P. SAKSENA: He has got a silvery voice.

DR. B. GOPALA REDDI: I accept the phrase. He has promised also to agitate and to din into the ears of the Government as long as he is a Member of this hon. House about the organisational efficiency which the Government must aim at. There is no controversy about it. I am in perfect agreement with what he has said. We do want greater efficiency in our corporations, in our Governmental machinery, in all the Block Development Organisations. Right from the village to the State factories, we want certainly greater efficiency in our organisations. But when it is not there—according to him, it is not there—then we are taking every step to see that we take up this question of organising our machinery, and training up our own technical personnel or managerial personnel. All these steps are surely being taken up. It is no use dinning into the ears of the Government that managerial scarcity is there or technical scarcity is there and therefore nothing is being done etc. After all he has appreciated what is being done, and he said that it could be better. There is no controversy about it. There is no difference of opinion about it between us.

SHRI SUDHIR GHOSH: Talent already exists in the country. I have

said that it should be utilised. If the country is devoid of talent, it is useless to blame the Government. My point is that men with talent exist in the country. You have to find means of using them in organisations in which they can be fitted, so that more wealth could be produced.

DR. B. GOPALA REDDI: Even organising or husbanding all the managerial skill that we have in the country also requires some time because as he himself admitted, the Governmental machinery is attuned to a certain pattern of administration and it has to switch on to a new pattern where it has to take huge responsibility and it has to attune itself to the new requirement. From the two speeches that I heard from him, I did not get any positive or constructive suggestion. Instead of merely saying that there is scarcity of managerial skill, or technical skill or that the Government is not organising them or canalising them, etc., I want certain particular, concrete suggestions emanating from the hon. Member and they will certainly be considered.

SHRI SUDHIR GHOSH: I have indicated to you briefly as to how to make your autonomous authorities genuinely autonomous and effective. Please do something about it.

DR. B. GOPALA REDDI: That is a matter on which he has to educate the hon. Members of Parliament. It is not entirely in the hands of the Government. After all, when you want and when hon. Members ask questions like "Why such a thing has happened in a particular corporation?", we have to ask them why it has happened. We have to explain on the floor of the Houses and therefore our hon. Members are to be educated on that point. There is nothing which the Government alone can do, because we are in the hands of the Members of Parliament and it is up to him to address Members of all sides and we have to arrive at certain conventions in this matter. We

would certainly like to give greater autonomy to the corporations. There is no doubt about it. The very fact that we are keen on having these as corporations and not merely departmental undertakings under the Directors of Industries or under the Ministry of Steel, Mines and Fuel, shows that. We do not want them to be corporations and corporation means, of course, autonomous but again there is the question of responsibility, accountability of the corporation to the Parliament and to the Government. These are matters which are greatly involved and even the Congress party took some steps last year and appointed a Committee with Mr. V. K. Krishna Menon as Chairman and they have also given some report and everybody is thinking about it. Certainly it is a matter in which we could all come to the same conclusion perhaps. There is no difference of opinion that the machinery must be made more energetic, must be made adaptable to the new environment, climate, etc. Therefore, there is no difference of opinion between him and myself. I only tried to justify the existing machinery and said what the Government is trying to do and therefore he need not be distressed at the speech I made on the last occasion, because after all the administrative machinery also comes for a good deal of criticism and I had to defend it and I also wanted to tell the hon. House that the administrative machinery has given a good account of itself in the last few years. I only wanted to say that. I want Mr. Ghosh to come more and more with positive suggestions for making the corporations and other ventures more efficient and energetic.

4 P.M.

Mr. Ramamurti—he is not here—raised some very fundamental issues. He deplored that the rich were becoming richer and the poor poorer, that the entire benefit of the increase in the national income was not widely distributed. He repeatedly posed the question: Who was benefited by this

[Dr. B. Gopala Reddi.]
growth of national income? Sir, he grew eloquent about the distribution of the national income. I may also say that some of his figures were not quite correct, but that is by the way. He raised that matter in a very eloquent manner. I do not know whether he wants the entire lot of rich people to be taxed out of existence.

[THE VICE-CHAIRMAN (PANDIT S. S. N. TANKHA) in the Chair.]

SHRI H. P. SAKSENA: To become paupers.

DR. B. GOPALA REDDI: It is usual for the Communists to plead for direct taxation and to say that we must take more and more recourse to direct taxes and leave the poor people free from indirect taxes because these hit everybody, every consumer. But where only a million people are paying income tax, I do not know whether there is any scope and possibility of getting more from these one million people, leaving out the rest of the population, all the rest of the community to themselves, and to confine all our taxation proposals to these one million people. I do not know whether that is possible. Though it is being repeated every time by hon. Members opposite, I do not know whether that is possible at all. Their expedient seems to be a sort of short-cut. Tax the rich out of existence and let there be nationalisation of industries and let the private sector be destroyed completely and let it be exterminated; and then perhaps the Communists will be fully satisfied with the economic policy followed by the Government. Till that time, I think, they will never be satisfied with what the Government is trying to do. The rich should be taxed out of existence, the private sector exterminated and the entire industry must be nationalised. Only then will they be satisfied with what the Government are trying to do. Otherwise they will not be satisfied at all. In that case, if I have to do that, if the Government is to do that, we may as

well sit there, we need not sit on this side of the House.

SHRI GOVINDAN NAIR (Kerala): We have accepted a mixed economy and in that the private sector is accepted.

DR. B. GOPALA REDDI: I am yet to learn that my hon. friends have accepted that the private sector should exist, I am glad to hear that. But I would like to know whether it is for the time being or is it for all time to come?

DR. A. SUBBA RAO (Kerala): We do not want the few rich people to become richer. Put them under check.

DR. B. GOPALA REDDI: That is exactly the fundamental difference between the Government and the Communist ideologies. We do not want to follow their expedients and to try to become rich suddenly by exterminating certain sectors. There is no escape from having more investments. After all, these expedients will not pay, these short-cuts will not pay us very long. They may pay us for a year or two, but they will never make the country richer. You can kill anybody. You can exterminate anybody; but that is not going to make the country richer. Unless we create a climate for greater investment—and that can only come from savings which again can only come from greater production—the economic condition of our country cannot be improved. Therefore, let us not go away with the idea that something in the nature of easy expedients can be resorted to and the country can be made self-sufficient and self-generating and everything will be all right. We do not agree at all with that dogma.

As I said, there is no escape from inviting greater investments from the people and it is always so in the transitional period. There is investment and for some time there is no benefit accruing from it. For instance, there are some irrigation projects on which we spend crores and crores of

rupees; but it will be 10 years or 15 years or even 20 years, before the entire ayacut or delta is developed and we begin to get some fruits thereof. Likewise there is a time-lag in every investment and once the benefit starts accruing to the community, then our economy will take to the starting point, the take-off or the flying-off, as it is called. Till then we have to face this dilemma in the transitional period. We have to go through this travail before we can see the dawn of prosperity and it is no use being impatient about these things. There is the inevitable time-lag and we are now in that period of transition. There is the investment, but the fruits thereof are not forthcoming immediately and we have to put up with this transition period for some time to come. And we have to increase production. Of course, that is what everybody says. But how to increase production? How to hold the line? All these matters have been discussed and they have been engaging the attention of everybody concerned. It is not as if it has escaped the attention of the Government or of the Planning Commission. But for all these things, there are no short-cuts and it is no use being impatient. Whoever wants the price level to be out of control? Whoever wants the entire economy to be out of gear? Whoever wants that there should not be greater production in the country? Well, we are all engaged in that work and we have the same ideology and we are trying to reach the same goal. However, certain techniques have to be gone through, a certain period of training has to be gone through and we have to organise, as Mr. Ghosh wants, on a large scale and on a massive scale, and only then we will be able to give a good account of our economy.

Mr. Ramamurti also said that while the national income had gone up during the last few years, the income-tax that came into the coffers of the Government had not progressively increased. He says that although there is an increase in income from

Rs. 615 crores in 1949-50 to Rs. 1,184 crores in 1958-59, the tax collected is only Rs. 159.66 crores and Rs. 242 crores in the respective years. He says that the tax has not increased proportionately and this, according to him, shows that there is something wrong somewhere. That is the conclusion he has come to, that there is something wrong somewhere, either the income-tax department is incompetent, or they are allowing hoodwinking and concealment of income on a large scale and so the entire wealth is not being distributed properly and all that. Sir, I may say that my hon. friend has not come to the correct conclusion. In the hands of a rich industrialist, a lakh of rupees of income will bring in, above a certain limit, about Rs. 84,000. But that one lakh of additional income, if it is distributed among a hundred persons, will not bring in anything to the income-tax department. That one lakh is a reality. It is there and the national income has grown to that extent. If that is in the hands of an individual or a rich man or industrialist, then immediately the department would get 84 per cent. of it. If, however, it is distributed widely, then we get very little or no tax. Instead of welcoming that feature, Mr. Ramamurti was saying that there was something wrong somewhere, that the department was not collecting all that was due to it. That the national income has increased, he has himself admitted. The department may not have got anything, but so many people are getting the benefit of the increase in the national income, the increase in the *per capita* income, though it is not immediately getting reflected in the receipts of the income-tax department. Here, I have before me the figures for the years 1949-50 and 1958-59, and they show how for this period of nine years, the number of income-tax assesses in the lower brackets and the higher brackets has varied and in the years 1949-50 and 1958-59 what exactly was the position. Take, for instance, the lower bracket, Rs. 3,000 to Rs. 5,000. The number of assessments in 1949-50 was about

[Dr. B. Gopala Reddi.] 1,48,000 whereas in 1958-59 it became about 2,77,000, roughly hundred per cent. more during a period of nine years. For the next bracket, Rs. 5,000 to Rs. 7,500 it was 76,618 in 1949-50 whereas it became 2,07,516, something less than three hundred per cent. In the next bracket, Rs. 7,500 to Rs. 10,000 it was about 40,000 in 1949-50 whereas it rose to about 1,09,000 in 1958-59. There were only 1,950 assesseees in the year 1949-50 in regard to the bracket above Rs. 2 lakhs and today it is about 2,700. There is some increase here. In some cases the increase was of the order of 100 per cent., 250 per cent., 220 per cent., and so on.

SHRI J. S. BISHT: Could you kindly give us the figures relating to the group Rs. 10,000 to Rs. 1,00,000?

DR. B. GOPALA REDDI: For the group Rs. 10,000 to 12,500, it was 23,843 in 1949-50 whereas it was 61,577 in 1958-59. Between Rs. 15,000 and Rs. 20,000 it was 17,020 whereas it is now about 42,597. So, Sir, it is not an illusory thing. The lower brackets have also benefited from out of the growth in the national income. We need not therefore feel distressed or depressed that the entire wealth is getting concentrated in the hands of the big industrialists.

SHRI K. SANTHANAM: Do not the figures show that the upper brackets have got a larger share than the lower brackets?

DR. B. GOPALA REDDI: In the case of the bracket Rs. 3,000 to Rs. 5,000 it was about 1,48,000 and it came to about 2,77,000.

SHRI K. SANTHANAM: Exactly twice while the upper brackets got three times, two and half times etc., The lower brackets are increasing to a smaller extent than the upper brackets.

DR. B. GOPALA REDDI: It is becoming very broad based. You do not agree?

SHRI K. SANTHANAM: The apex is going up.

DR. B. GOPALA REDDI: In the case of the bracket Rs. 20,000 to Rs. 25,000, it was about 10,000 and now it is about 23,000.

SHRI K. SANTHANAM: More than twice.

DR. B. GOPALA REDDI: Whatever it is, I want to show that the national wealth is not being concentrated in the hands of a few industrialists but that it is becoming more and more broad-based. More and more people are the beneficiaries of this growth of national income.

SHRI K. K. SHAH: For the information of Mr. Santhanam, I can say that the two lakhs of assesseees in the bracket Rs. 3,000 to Rs. 5,000 means Rs. 100 crores.

SHRI K. SANTHANAM: If you calculate the figures you will find that even though the number is less, total income is much greater in the upper brackets.

SHRI N. M. ANWAR: May I request that in view of the very valuable information that is being given now these figures may become part of his speech?

SHRI J. S. BISHT: They will.

DR. B. GOPALA REDDI: Unless I read the entire thing, it will not become part of the speech.

It is true that while the incomes assessed in 1958-59, show an increase of about 90 per cent. as compared to incomes assessed in 1949-50, the tax collected shows an increase of about 41.7 per cent. only. It will however be wrong to conclude from these figures that the tax administration has not been working properly or that there has been tax evasion. Increase in the incomes need not necessarily lead to proportionate increase in the tax. The increase in the distribution of incomes is concentrated in the lower brackets. Thus, while the figure of total

income shows an increase of about 90 per cent. the incomes assessed in the case of assesseees whose total income exceeds one lakh of rupees shows an increase of about 50 per cent. only. The incomes assessed in the case of others had increased by about 118 per cent. Hence the rate of increase of tax must necessarily be less than the rate of increase in the incomes assessed. Therefore, it is not true to say that the entire benefit has gone into the hands of a few people.

SHRI J. S. BISHT: Would you kindly give the figures for the group Rs. 12,500 to Rs. 15,000?

DR. B. GOPALA REDDI: The figure was 15,519 in 1949-50 whereas it was 38,750 in 1958-59. Anyway, Sir, I wanted to show to Mr. Ramamurti that he need not be apprehensive that the income-tax department is remiss.

SHRI P. D. HIMATSINGKA (West Bengal): He knows everything, but wants to say something.

DR. B. GOPALA REDDI: He thought that the entire thing was in the hands of a few people and that the others are not getting any benefit. It is also not true to say that the entire activity of the Government is not flowing to the benefit of the people. There are so many schools and colleges opened. Agricultural production has been increased and a large number of people have found employment. Large numbers of persons have been trained. These things have an indirect effect on the *per capita* income of the common man. We need not fear that the rich are becoming richer and the poor are becoming poorer. I have not come across any one village where the people have become poor during the course of the last ten years. The rich people also complain about the incidence of tax. Even in the chambers of commerce and in other places I always ask them this question. I ask them to show me an industrialist or a commercial magnate who has become poorer in the last five years

because of the taxation measures imposed on them. They have not become poorer. Likewise, in respect of indirect taxation, in spite of the Central excise and other things, I do not think any poor man has become poorer even in districts like Tanjore, Tinnevely or Coimbatore. Let us not be carried away by slogans like the one referred to. Everybody is becoming rich. That is my contention. Rich people are also sharing in the prosperity.

SHRI P. N. SAPRU: You said just now that everybody is getting richer. Is it your contention that the salaried classes or men with fixed incomes are getting richer?

SHRI SHEEL BHADRA YAJEE: Why not?

SHRI P. N. SAPRU: In terms of what?

SHRI N. M. ANWAR: In terms of promotion.

DR. B. GOPALA REDDI: In these ten years, many Deputy Secretaries have become Joint Secretaries and Additional Secretaries. There are also the dearness allowance and other things that have been given to the employees from time to time. They have not become poorer in the process. That is a different matter. Anyway, how many salaried people are there? I think they are only a few lakhs.

SHRI MAHESH SARAN (Bihar): The poor are not becoming richer. They are still becoming poorer.

DR. B. GOPALA REDDI: I do not accept that contention.

SHRI H. P. SAKSENA: I can give an instance. Ten or twenty years before an unskilled worker used to get five annas a day but now he is getting Rs. 1/8 or Rs. 1/12 as the minimum.

DR. A. SUBBA RAO: What was the price of rice then and what is it now?

DR. B. GOPALA REDDI: Mr. Ramamurti said that agricultural labour is not getting any benefit. These people, as far as I know, are paid in kind in many parts of South India, and the price of paddy having gone up, there is no question of suffering for them. Does not matter what price paddy is sold, you cannot say that they have become poorer. On the other hand, they were getting five annas those days whereas they are getting Rs. 1½, the artisans and the others. Therefore, we need not get away with these slogans.

Mr. Ghosh has again complained about our taxation structure, that with the income-tax, wealth-tax and all these taxes put together, one has to pay over 100 per cent. and things like that. While theoretically it is so—mathematically perhaps you can calculate that way—I am yet to come across anybody who is paying more than 100 per cent. I do not know why the wealth-tax incidence should be coupled with one's income. His income may be Rs. 30,000 or Rs. 40,000 or Rs. 50,000 but his income-tax will not exceed his income but if you say that his wealth tax, his expenditure-tax, his gifts-tax, his sales-tax, all these together, exceed more than what he has earned, it is a wrong way of looking at things. It is a fallacy and I do not want that the income should be coupled with the various other taxes. If a man is foolish enough to spend a lakh of rupees, certainly he may have to pay large expenditure-tax but you cannot add that to the other taxes and say that all the taxes put together far exceed his income. Things must be isolated. The maximum income tax one has to pay is only 84 per cent.—that is the highest—and there are not very many people who are paying that.

SHRI K. K. SHAH: I will give you an instance.

DR. B. GOPALA REDDI: Instances are all hypothetical.

SHRI K. K. SHAH: Those who own buildings pay 84 per cent. plus municipal taxes half of which is included for purposes of income-tax and another half is not included. Therefore, I can give you numerous instances where income from buildings is one lakh or so and the person is paying municipal taxes and his income-tax comes to Rs. 92,000 or Rs. 93,000.

DR. B. GOPALA REDDI: I have made enquiries from my department to find out whether there is any case of any person in Bombay, Calcutta or anywhere, whether he is a Marwari or Parsee or somebody, who is paying more than 100 per cent.

SHRI P. D. HIMATSINGKA: It cannot be, unless you add wealth tax also.

DR. B. GOPALA REDDI: Yes, unless expenditure-tax, gift-tax, estate duty and all these things are added. But how can you add all these? The department says that no case where the combined incidence of income-tax and wealth-tax has exceeded one hundred per cent. of the income has actually come to its notice. Though this point has been mentioned frequently it is only hypothetical.

SHRI J. S. BISHT: In the case of house property they have to pay municipal taxes also.

DR. B. GOPALA REDDI: Who is the person who pays more than 100 per cent? You produce him before me; we can give him a reward.

SHRI K. K. SHAH: Let him pay; what is wrong?

DR. B. GOPALA REDDI: We will also honour him; we will garland him.

SHRI J. S. BISHT: That is not the point. Who pays that rate is not the question. The question is whether such a thing would not affect adversely capital formation in our economy. It affects the whole economy.

DR. B. GOPALA REDDI: I think our taxation policies have not affected capital formation. Repeatedly figures have been given as to how many capital issues are being sanctioned every year and they show that investments have not dried up because of the taxation policies. Therefore, hon. Members need not be apprehensive on the score of capital formation being affected. As I said in the beginning, we want more investment and it must come from the people. You must give all encouragement for the capital to come into investment which alone will count for greater production.

There was a point made by Mr. Govinda Reddy about co-operative societies. As far as I could see, he was the only Member who mentioned this subject while other Members have not at all bothered about saying anything about the tax on the co-operative societies. So I take it that they have approved the Government policy and that only Mr. Govinda Reddy did not agree. We have examined all the proposals which were in existence previously, what we originally thought of doing and what we have done in the latest Finance Bill and I do not think that any co-operative society is going to be hit by this new proposal. But it is true also that since 1954 the Government have given licences for 45 sugar mills to be started on a co-operative basis and 13 yarn mills have also been sanctioned on a co-operative basis. I want to know—and all of them are going to invest about Rs. 60 lakhs or Rs. 70 lakhs or even Rs. 100 lakhs each—whether it is really desirable that the co-operatives should go in for such large-scale industrial activity or whether they should confine themselves to smaller middle class consumer societies, producers societies etc. The exemption of business profits of co-operative societies was regulated by a notification issued in 1925. This was justified having in view the objectives of the Co-operative Societies Act, 1912 which were to facilitate the

formation of co-operative societies for the promotion of thrift and self-help among agriculturists, artisans and persons with limited means. I can understand weavers forming themselves into co-operative societies or some artisans forming themselves into co-operative societies. Experience showed that the benefits of such exemptions came to be enjoyed by a number of societies whose profit-making activities could never have been intended to be the subject-matter of special tax concessions. Even the Committee on Co-operative Law in their Report dated 26th May 1957 observed that the existing provisions in the Co-operative Laws had not been adequate for preventing the registration of societies which were not genuinely co-operative in character. While the original intention was that co-operation shall comprise small, compact and homogeneous societies, it has been found that several big societies have come into existence with a very large number of members which from the point of view of revenue cannot be regarded as far different from the other profit-making organisations liable to tax. Further, an increasing tendency on the part of co-operative societies to extend and enlarge their transactions with non-members has been noticed. Some of the societies have also entered the field of large-scale business activities—motor transport, sugar mills, etc.—and the exemption of the profits of such societies gives them an unjustified advantage over others in the competitive market. It was in this background that the proposals contained in the Finance Bill regarding taxation of business profits of co-operative societies were evolved. Broadly speaking they were so designed that while the profits of societies connected with agriculture, rural credit and cottage industries will continue to be exempt, the business profits of other societies would be taxable subject to a basic tax-free amount of Rs. 10,000 which was later on increased to Rs. 15,000. Co-operative banks will also be exempt on

[Dr. B. Gopala Reddi.]
 their business income. New, industrial undertakings run by co-operative societies will get a seven-year tax holiday instead of the normal five-year holiday and then the first Rs. 15,000 of the profits will not be taxed and they get all the other concessions which other joint stock companies get. So under these circumstances whether the policy of the Government in trying to tax these societies is justified or not is a matter on which the hon. House has already expressed its opinion because as I said only Mr. Govinda Reddy took up this subject while all others have tacitly approved our policy of taxing co-operative societies. If a few people, even if they are workmen, join together and form a co-operative society, invest Rs. 100 lakhs or Rs. 150 lakhs and go in for transport business and things like that, then certainly they are in a position to pay this tax. And then the first Rs. 15,000 will be tax-free and they get all the other facilities which the other companies get. Therefore I do not think there is much force in Mr. Govinda Reddy's contention either.

Sir, the hon. Member from Rajasthan, Mr. Jaswant Singh, complained that the Government was lenient to the cinema people. He said that we ought to have stuck to the original proposals and instead of that we had been very lenient etc. He charged the Government of being lenient to the trade as it were. It is true that we originally thought that we could impose 50 nP. per metre of exposed film and later on it was reduced. But even then I see that the people in the line in Bombay and in other centres like Poona and other places, are closing down in protest—symbolic protest or whatever it is—and that they are vehemently opposed to this new imposition though the concession given is very large. While we wanted to tax them at the rate of 50 nP. per metre of feature films it has been reduced to 30 nP. That is the maximum while other smaller producers will get greater benefits but

even then the trade has not taken kindly to it. After all we have had many representations from them. They came from Calcutta, Madras and Bombay. The entire Film Chamber were all present. They met the Board Members. They met the Finance Minister. They discussed with so many others. We have to go into the question of their competence to pay what was originally proposed. We thought since it was being levied for the first time we could be generous and then we could study the working of this industry. We can revise it as we like later on. Therefore, this concession was given to them. I can say from my own knowledge of matters that the Film Chamber, by and large, has generally welcomed the revised proposal. Some of them, of course, in Bombay are still agitating about it. They have closed their theatres. But by and large the present Film Chamber have given their consent and they have welcomed the revised proposals.

SHRI SANTOSH KUMAR BASU: It has created a very good impression in West Bengal.

DR. B. GOPALA REDDI: I can understand that. I think it is going to be quite a big concession and I am happy to learn that it has created a very good impression on the producers of Bengali films. They are certainly very high class pictures and their cost of production is also very low. Fourteen to fifteen prints they take and they do get a substantial decrease in the imposition. Even in the case of Hindi pictures, the burden on them will not be very high and there is every reason to believe that, in spite of the initial shock to them. All the while the cinema industry was not paying any excise duty as such, except the entertainment tax which they paid to the States. The cinema industry was not paying anything towards Central excise, except, of course, the customs duty and the entertainment-tax. Now, for the first time, on the exposed feature films, Central excise is going to be levied and I hope that the trade also will

take it in that light. There is no use closing their theatres or closing their studios. They cut their own nose and it does not hurt the Government at all. That sort of protestation will not carry much weight. They did come with facts and figures. The Government went into the question and when there was a need, certainly the Government came forward with revised proposals.

SHRI MAHESWAR NAIK: Invariably they would pass it on to the consumers.

DR. B. GOPALA REDDI: They cannot do that always. Unless the State Government permits them to enhance the rate of tickets, they cannot enhance it. If he is allowed to do that, that is a different matter. But the State Governments generally are chary of allowing them to increase the ticket price and, therefore, they cannot always do it. We do justify what has been done for the film industry and I am also happy that they have generally welcomed what has been done to them.

As I said in the beginning, the transport industry, again, was the subject matter of discussion by Mr. Lingam and others. Hon. Members are aware why we are a little hard on diesel oil just now. It is not merely a revenue matter. It is a question of foreign exchange. Whether we should permit this dieselisation on a large scale, or whether the excess petrol that is being produced here should be consumed here, and whether we can go on importing diesel oil from abroad, are matters which have to be considered by hon. Members. Even then we have again some figures to show how much it will be per mile, per ton of goods, per passenger. There again it will not hit them very hard, in spite of this imposition on diesel oil and also on trucks. The transport industry will continue to flourish. We have been hearing it for the last so many years—and I have been Finance Minister for some time now—that

this is the last straw on the camel's back. Even this week when I had been to Rajasthan, I had not seen any camel whose back was broken. The transport trade is not going to be handicapped in any manner and they need not agitate about it. As somebody said, their agitation is more about this threat of nationalisation. Once the State Governments give them an assurance, 'All right, you will not be nationalised for the next three years or five years', they will be quite happy. They will be prepared to pay the tax on diesel oil, on motor vehicles or the Central excise on trucks. They are only afraid of a bigger issue, namely, the impending nationalisation by the State Governments.

SHRI N. M. LINGAM: They are passing it on to the transport users. For instance, the bus fares have already been increased.

DR. B. GOPALA REDDI: They are not paying it. Why should they agitate then, if they are passing it on to the consumers? The consumers are not protesting. There is no *hartal* from the passengers or from anybody else. The passengers are already satisfied. Only the transport industry is creating this agitation. As I said, I am very happy that they are passing it on and they need not be handicapped. There will not be any impediment in their progress. Mr. Santhanam also raised the question of the Railway Ministry imposing a 5 per cent. surcharge and then again the transport industry. In spite of all that, I do not think that the prices will go off at a tangent and we need not be apprehensive that because of our taxation on diesel oil, because of our taxation on carrying of goods, everything will become costly.

Lastly, Mr. Avinashilingam Chettiar raised the question about how much Central excise is falling on agriculture, that we are asking the agriculturist to produce more and at the same time we are putting these impediments by taxing his diesel oil,

[Dr. B. Gopala Reddi.]

electric motor and things like that. I think he advanced a sort of a theory that because we are in need of more foodgrains, because we are asking the people to produce more food, they should not be taxed, that there should be a tax holiday in respect of agricultural production, that agriculturists should not pay anything to the coffers of the Government. We do not accept that theory. Agriculture must flourish and at the same time, along with their prosperity, they must also continue to pay some taxes which are levied by the Government. Therefore, we do not accept the theory that agriculturists need not contribute anything towards Central excise. It may be that a part of it is falling on the agriculturist. Even there only about a lakh of engines are working in the agricultural fields, according to some calculations and generally they are well-to-do peasants. They are not poor people who cannot afford to pay something more. They have gone into that investment and they increase their food production. When that is so, they can as well pay this additional impost. It is not a very heavy burden either. The increase is not very steep and they can, as their food production is increasing more, also pay a little more towards Central excise.

On the whole, I am very happy that the taxation proposals as such did not invite any criticism and they were not criticised. As I said in the beginning the House gave a tacit approval to the proposals. Mr. Santhanam's complaint, of course, is there, that the Finance Minister is somehow hesitant to tax more, that he ought to have come forward with a big dose of taxation this year, about Rs. 60 to Rs. 70 crores and that he ought to have given a tax holiday for the next two or three years, giving respite and breathing space. I do not think we can do as Mr. Santhanam has said. We cannot give a sort of an assurance, "All right, you pay this now, and for three years we will leave you alone."

After all, we cannot mortgage the ideas, the time factor and the various considerations which also weigh before the House and before the Government. Therefore, no Government can say, "All right, I am doing this. For the next three years you need not pay any tax." I do not think we can do that. From time to time we must be studying the situation. There is no escape at the present juncture in this transitional period, from the fact that a wide sector must be covered and that can be covered only by indirect taxation. There is no direct conflict in indirect taxation as such. In the present state of our economic development, it cannot but be that we have to cover as wide a range as possible. I appreciate the spirit in which hon. Members have given their suggestions and their views on this Bill and I am thankful to them.

THE VICE-CHAIRMAN (PANDIT S. S. N. TANKHA): The question is:

"That the Bill to give effect to the financial proposals of the Central Government for the financial year 1960-61, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN (PANDIT S. S. N. TANKHA): We shall now take up the clause by clause consideration of the Bill.

Clauses 2 to 23 were added to the Bill.

The First Schedule and the Second Schedule were added to the Bill.

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

DR. B. GOPALA REDDI: Sir, I move:

"That the Bill be returned."

The question was proposed.

SHRI H. P. SAKSENA: Sir, I have to make one single request to the

hon. Finance Minister, and it is this that he should bear in mind the stress and calamity of the poorest classes of people who are labouring under the very hard and cruel hardship of rising prices which the Government have not yet been able to control up till today. These rising prices should be looked into carefully so that the common man should feel that henceforward his budget will be evenly balanced and that he will not be put in a very pitiable condition.

DR. B. GOPALA REDDI: Sir, the Planning Commission and the Government are constantly watching the price levels, and I am glad to see from the newspapers that the Food Minister of the Uttar Pradesh Government has announced in the Vidhan Sabha that food prices in Uttar Pradesh are coming down. He has given some figures. It is a welcome feature.

SHRI H. P. SAKSENA: The Food Minister of Uttar Pradesh is not the one individual alone living in Uttar Pradesh. In Uttar Pradesh there are seven crores of people.

DR. B. GOPALA REDDI: He read some figures to show that the food prices in Uttar Pradesh were coming down. It is a welcome feature.

DR. H. N. KUNZRU (Uttar Pradesh): It will come down in Uttar Pradesh because this is harvest time.

DR. B. GOPALA REDDI: He gave some figures for the last few months to show that prices were now coming down. Anyway the matter is constantly engaging the attention of the Government.

THE VICE-CHAIRMAN (PANDIT S. S. N. TANKHA): The question is:

"That the Bill be returned."

The motion was adopted.

RESOLUTION RE NOMINATION TO PARLIAMENTARY COMMITTEE TO REVIEW RATE OF DIVIDEND PAYABLE BY RAILWAY UNDERTAKING TO GENERAL REVENUES

THE DEPUTY MINISTER OF RAILWAYS (SHRI SHAH NAWAZ KHAN): Sir, I beg to move the following Resolution:

"That this House concurs in the recommendation of the Lok Sabha that the Rajya Sabha do agree to the nomination by the Chairman of six members from the Rajya Sabha to the Parliamentary Committee to review the rate of dividend which is at present payable by the Railway undertaking to the General Revenues as well as other ancillary matters in connection with the Railway Finance vis-a-vis the General Finance and make recommendations thereon by the 30th November, 1960."

The question was proposed.

SHRI GOVINDAN NAIR (Kerala): Mr. Vice-Chairman, our railways are the biggest and perhaps the earliest nationalised concerns in our country. We have invested about Rs. 1500 crores in them. This Committee to be formed is to decide the contribution payable to the General Revenues from the railways.

We have been hearing during the last two or three days about the socialist pattern of society which we want to build, and in this context how these railways are working, what profit they are making and how they are catering to the needs of the public are very important matters. Now, as far as the question of the running of the railways is concerned, it is often asked whether these are public utility concerns or commercial concerns, and there is a tendency in certain quarters to cover up the failures of the railways in the name of public utility concerns. When we are planning to bring in as many of the key industries as possible in the public sector,