

[श्रीमती सावित्री निगम]

है कि हम लोग भी उस समय अधिक संयम से काम लें और इसके अतिरिक्त जो हमारी होम मिनिस्टर महोदया हैं उनसे यह निवेदन करना चाहती हूँ कि वह एक प्रकार से अधिक उदारता और एक दया की भावना उन अभ्यागिनी बहनों के प्रति रखें जिनकी किराया करने की, जिनका उद्धार करने की और जिनको पतन के गर्त से निकालने की जिम्मेदारी उतनी ही उनकी है जितनी कि हम सबों की है। धन्यवाद, श्रीमान्।

MR. DEPUTY CHAIRMAN: I am putting the motion to the vote of the House.

The question is:

"That the Bill to provide for punishment of persons guilty of molesting women be taken into consideration."

SHRIMATI SAVITRY DEVI NIGAM: Sir, I want to withdraw this Bill.

MR. DEPUTY CHAIRMAN: But you did not say that.

SHRI KISHEN CHAND: We discussed the whole day this Bill. I do not suppose that leave should be granted to withdraw the Bill.

MR. DEPUTY CHAIRMAN: So, I have to put it to the House even if there is one objection.

SHRI DEOKINANDAN NARAYAN (Bombay): You have already put it to vote. How can it be withdrawn?

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill to provide for punishment of persons guilty of molesting women be taken into consideration."

The motion was negatived.

THE BUDGET (GENERAL), 1958-59—GENERAL DISCUSSION—contd.

MR. DEPUTY CHAIRMAN: Shall we take up the Budget debate?

(No hon. Member dissented.)

MR. DEPUTY CHAIRMAN: Mr. Vijaiavargiya.

SHRI GOPIKRISHNA VIJAIVAR-GIYA (Madhya Pradesh): Mr. Deputy Chairman, we are now taking up the budget. Our Prime Minister, who is also functioning as the Finance Minister for the budget, has called this budget a pedestrian budget. His contact with the Finance Department has been very short and for a few weeks only and I think he could not give sufficient time and attention to finances. My opinion is that if he would have got more time and would have given more thought and had more control over the finances, then he has the capacity and he could have produced even a sputnik budget in this sputnik age, although this is only a pedestrian budget. In fact, I believe that to go towards socialism we require more speed and greater progress. The features of this Bill are very clear. In the current year we will have a surplus of Rs. 5 crores, but in the coming year we will have a deficit of Rs. 27 crores. Our expenses out of the revenues are going to be Rs. 796 crores and income will be Rs. 763 crores. The new taxes, in fact, are a corollary of the tax structure we have accepted last year. Gift tax is a welcome feature. So, are the other amendments to the taxes. The new tax structure is sometimes opposed by some sections, particularly capitalistic sections of the country and there are some forums like the private enterprise forum, etc. They have opposed. But I want to say that even last year this tax structure was generally welcomed by the whole of our country. That tax structure itself had created a great enthusiasm amongst the whole population because it made socialism possible in our country. Without just distribution of the

nation's income and its utilisation for the welfare of the people, popular enthusiasm cannot be obtained. Some Members pointed out that the textile industry and some other sections deserve some relief or lowering of the burden. I think in this connection that when the whole country is experiencing stresses and strains and burdens, the textile people also should not expect any relief just at this time. They should make their sacrifices along with the other sections of the people.

Sir, I am happy that in the socialistic pattern of society that we are building up our public sector has increased. Our industries in the public sector are increasing this year also. In the coming year's budget the total of the State enterprises will be Rs. 478 crores. Under the State enterprises are many kinds of key and basic industries. The list of the industries in our public sector is quite a formidable one and we are happy. In fact, sometimes we are thrilled to see the country reconstructing itself in such a magnificent way. However, along with this, my disappointment is that this budget material does not give us enough figures or statements regarding the private sector. We cannot find out from the literature that is given to us the facts about private sector. What is the position of that sector, the investments, the reserves, total assets profits, etc. of the private enterprise? When we are getting so many statements about the budget and the budget memorandum, I think the Government should supply data on position of the private sector, so that we may compare the performance of the private sector with the public sector and see how far our socialistic pattern of society is proceeding. There is no doubt that both the sectors are doing some work and useful work for the society. Both are increasing production in the country and we are coming nearer and nearer to the fulfilment of industrialisation of our country though there might be Mundhras, there might be Patels, even Krishnamacharis but the country is still going on and is making considerable progress.

Sir, some Members here have welcomed our new tax structure on Professor Kaldor's line, and they have added that, as Professor Kaldor has recommended, we should have reduced income-tax also. I will have to say the same thing about this also that the burden must be put on the shoulders which can bear that burden. This is not the time for slackening our efforts in regard to our internal resources, and no relief at this time should be given to income-tax or any other tax structure. The examples of West Germany and Japan also were quoted to say that they have made quite a good progress on account of private enterprise. But I will say that they were already very well advanced and industrialised countries. So is not India. We can see how huge is the help they are getting from the United States, both West Germany and Japan. I think that any comparison with those countries is entirely irrelevant to the conditions of India.

Sir, the Budget speech gives us a review of the present economic conditions also. I think things may be a bit favourable, we cannot doubt that production has increased, but I feel that the increase is only very slight. The wholesale prices have gone down, but that is also very slight. The monetary position has also improved. But all these are very slight improvements. Therefore, while we should not be pessimists, we cannot also be great optimists. We have to be on a constant watch and constant guard and not slacken our efforts to further improving the economic situation in regard to food production, industrial production, internal resources and also exports.

About our Five-Year Plan expenses it is good that we will be spending next year a sum total of Rs. 1,017 crores. This includes Rs. 512 crores in the Central Budget, Rs. 231 crores by the States, and outlay by Railways and States Rs. 274 crores. In all we will be spending Rs. 1,017 crores on the Plan.

On the nation-building departments, this Budget has provided for Rs. 130

[Shri Gopikrishna Vijaivargiya.] crores. This is also a welcome feature. It includes expenditure on education, scholarships, university grants, public health, agriculture, science and research, industries, National Extension Blocks, Employment Exchanges, etc.

On Defence, Sir, I must congratulate the Prime Minister and the Defence Minister. Even in a very provocative situation they have not increased the defence expenses very much. A mere increase of Rs. 10 or 12 crores is not much, and all this shows the peaceful intentions of our nation.

Sir, I want to say a few words about my own State, Madhya Pradesh. None of the States in the whole of India deserves so much care and attention as the State of Madhya Pradesh, as in my opinion it is an infant State. The Centre has given birth to this child but is not nursing it. It requires to be spoon-fed at this time. It wants more roads, more railways, more bridges, more industries, etc. All the industries are being concentrated in a few areas only. There should be a fair and just regional distribution. This Madhya Pradesh, the heart of India, if it becomes strong on account of its position and vast resources, it will give tremendous strength to the whole country in the future.

Sir, I will have to point out a few dangerous tendencies also growing in our country. The goal of a socialist society has been accepted by this Parliament after careful thought. But contrary to this a great many other ideas are spreading. The capitalists and monopolists of the country are organising forums for private enterprise in the name of national culture, of freedom of action, which means only, I think, freedom to become rich by exploiting the toiling masses and the consumers. The approach of these organisations, some of them calling themselves forums of free enterprise, etc., is of a perfect *laissez faire* type opposed to national planning and opposed to the speedy reconstruction

of the country. Though they sometimes rightly point out some defects in the administration, which I think should be remedied, still their outlook is towards the American type of economic freedom which is entirely irrelevant to our conditions in India. Sir, I have read a few books published by the United States Information Service, etc., and there is particularly a very illuminating pamphlet. I have got it with me. The name of the pamphlet is "American Capitalism" where the economic prosperity and conditions in the United States are given. The United States of America was a huge continent with enormous resources to begin with when they began their colonisation in America. They have reached their present state of progress slowly and steadily in three centuries. The United States policy is that of giving very high wages to its workers and, as the pamphlet says, it has eliminated the proletariat class, making all the classes a middle class or upper class. The skilled worker in America gets 4,000 to 6,000 dollars a year. The semi-skilled worker gets 3,500 to 4,500 dollars a year. Even the unskilled worker gets about 2,000 dollars. The yearly wage bill of America is equal to one and a half times the entire national income of Britain. Can India or any country be compared to that and go along the line of the American economic system. We can see how huge is their wage bill. This does not also include the incomes of other sections of the American people. In 1950 the number of families in the United States of America was 50 million, and all these families had 50 million motor cars, 30 million television sets, 125 million radio sets and 50 million telephones. Can our country go along that way or can we create that prosperity in a short time? The total profits in America—that figure also I have collected—in 1950 were 43 billion dollars, out of which they paid 22 billion dollars as taxes, 12 billion dollars were reinvested, and 9 billion dollars were personal income. It is important to note that

personal income there was as low as 4 per cent only of the gross profits.

4 P.M.

Now, even Great Britain cannot copy the methods of the U.S.A. How is it that these friends talk of the ways of private enterprise or capitalistic methods being adopted in India? How can they create such a situation that we can bring such prosperity within a short time in India? It is not possible by any ordinary orthodox methods to make our country prosperous and attain to the level of America. I think that India can attain progress only by some kind of indigenous socialism, be that of the Vinobha type or of the Nehru type. All this talk of freedom to exploit and enrich oneself and freedom of enterprise is entirely a deception and an impossibility in India.

My criterion of judging a Budget or any economic policy is its ability to help us in the near future to achieve our objective of a socialistic society. I may frankly say that there are many defects, and there are many things which we have yet to do. In spite of all this, I must also say that we are far from completing our land reforms; we are yet far from establishing a few co-operative agricultural farms. We are yet far from achieving our agricultural production targets and make our country self-sufficient in food. Our N.E.S. Blocks are not working as they ought to; our Government industrial undertakings also are not working satisfactorily. Our educational system also is not quite satisfactory. Our capital formation is also not on sure and sound lines. I may add one more thing. The system of our services—our administrative system—is to my mind also not quite satisfactory. These are some of the drawbacks. In respect of our system of services, I may suggest that the chapter in the Constitution on services requires to

be completely overhauled. We have so much wastage and there is so much slackness and corruption in our administration and something must be done. In my opinion, we should change the Constitution in respect of the services and the over-security, the undue security that is given to the services is the chief cause of this slackness and the many defects in the administration. I think we must have a Finance Minister with socialistic ideas and an Education Minister of a dynamic type, and I think serious attention must be paid to the defects and drawbacks that I have pointed out.

I am thankful to the Prime Minister and I am very happy that he has not allowed the Five Year Plan to be pruned, and he has stuck to the fulfilment of that Plan which will really usher in a great era in our country. I fully support the measures which have been proposed to raise internal resources. With these words, I generally support the Budget.

SHRI P. S. RAJAGOPAL NAIDU (Madras): Mr. Deputy Chairman, there is nothing sensational in this year's Budget as it was in last year's. Last year very many novel taxes had been imposed, taxes that had been suggested by Prof. Kaldor; taxes which should have been imposed over a number of years had been imposed in one year in the last Budget. None of the taxes recommended by Prof. Kaldor remained except the gifts tax and the gifts tax which had been anticipated this year had come. But while imposing the gifts tax, it was hardly necessary to couple this gifts tax with the lowering of the estate duty from Rs. 1 lakh to Rs. 50,000 to make the estate duty applicable to gifts *inter vivos* made within five years before the death of the donor. The estate duty as it originally stood applied only to gifts made within two years before the death of the donor. It was Prof. Kaldor's argument to have a single integrated tax on gifts of all kinds:

[Shri P. S. Rajagopal Naidu.] including accession to property by bequest and inheritance. I find that the present proposal this year departs so much from the schemes suggested by Prof. Kaldor.

Then, what strikes me as one very great departure from the proposal recommended by Prof. Kaldor is to ask the donor to pay the gifts tax. Sir, a tax, whenever it is paid, is charged on the estate of the assessed. It is the recommendation of Prof. Kaldor that it is the donee who should pay the gifts tax and not the donor, and in this view also, there is a very serious departure from the recommendations made by Prof. Kaldor. I do not understand the rationale behind the suggestion made in the Budget to make the donor liable to pay the gifts tax. Tax always comes out of the estate of the assessed. That is the principle. I do not know why that principle is violated in this case. I am sure that the hon. the Finance Minister, while considering the Gifts Tax Bill in a detailed manner, will try to convince the House as to why in this particular case the donor has been asked to pay the gifts tax.

SHRI P. D. HIMATSINGKA (West Bengal): You want the donee to pay.

SHRI P. S. RAJAGOPAL NAIDU: That is the recommendation made by Prof. Kaldor.

I am not going to touch certain good features of the present Budget. Very many friends have spoken about them, and in the short time which is available to me, I shall very briefly deal with certain disquieting features of this Budget. To me the mounting expenditure on defence certainly appears to be very disquieting. When the Defence Budget was increased last year by Rs. 50 crores, on account of stores purchases, it was felt that that increase was only an *ad hoc* one and would not be repeated this year. Similar is the case in regard to civil expenditure also with which I shall

deal later. What would be a proper level of Defence Expenditure is certainly an arguable point. Of course the Parliament will be unwilling for obvious reasons to question closely what our Security Chiefs regard as essential expenditure on defence but nevertheless it will be wrong on the part of the Parliament to ignore the mounting expenditure on defence particularly when taking into account our present capacity to find money. In countries like the U.S.A. and U.K. an increased defence budget no doubt stimulates the internal production but any increase in our country on defence budget does not stimulate any internal production but only it is a drain on our foreign exchange resources and so in a developing economy like the one in our country, any increase in expenditure on defence will be a strain on our economy. This is certainly an onerous burden and one ought to be very careful in these days when one is to concede mounting expenditure on defence.

On the economic side there are certain disturbing features and I shall briefly mention a few of them which appear to me to be features which one has to take note of. The first and foremost, in my opinion, is the undiminished dependence on food imports and consequential drain on foreign exchange resources. Then the decline in the rate of industrial expansion of equity shares since 1956, fall of 8.7 per cent. in the index in gilt edged securities during 1957, failure of small savings to come up to expectations and the continued drain on our external resources—these are some of the disturbing features on the economic side but the most disturbing feature is the undiminished dependence on food imports and consequent drain on our foreign exchange resources. I will be failing in my duty now if I do not mention our gratitude to certain foreign countries who had come to our help in giving loans and other things. Particularly at this moment we must thank

the U.S.A. for having come forward with 225 million dollars loan. We should not depend always on imports of food. Our country is a vast country and our economy is mostly an agricultural economy but with all that, we are always depending upon other countries to supply food to us. The agricultural production should be of highest urgency and is vital to the success of our Plan. I remember Lenin once said that cereals are the currency of all currencies and that should very much apply to us now and no programme for industrialisation will succeed unless it has, as its counterpart, an increase in agricultural production also.

Let us analyse what our targets are so far as food production in our country is concerned. In February 1955 the Planning Commission suggested to the State Governments doubling of agricultural production in the course of 10 years. When the Second Five-Year Plan took shape, the Commission suggested 40 per cent. increase in the course of 5 years. In the detailed discussions that took place between the Planning Commission and the State Governments, it was agreed that the agricultural production should be increased by 28 per cent. in the course of 5 years and so far as foodgrain production is concerned, the increase was estimated to be 24.6 per cent, that is 15.4 million tons. In the present set-up of things, is it possible on the part of the agriculturists to increase this much of production in the course of 5 years, namely, 28 per cent. increase in production? It will certainly be possible but with the present set-up, is it possible? Are we going to achieve this target? In my opinion, we are not going to achieve it so long as we follow the present policy in the matter of food production. It is certainly possible with proper application of known techniques in conjunction with possible expansion of irrigation and better seeds and increased use of fertilizers, etc. But in my opinion these principles are not

followed in the matter of agricultural production. A Committee has recently been constituted—the Committee on Plan Projects—which revealed that a great portion of the irrigation facilities available from multi-purpose projects and from tube-wells are not fully utilized at all. I remember, the Vice-Chairman of the Planning Commission, at one of the Conferences in Mussoori sometime towards the end of 1956 or the beginning of 1957, said that at the end of the first Plan only 4 million acres out of the 6 million acres for which irrigation facilities were provided, have been utilized. The Committee on Plan Projects revealed that a great part of the available irrigation facilities from multi-purpose projects and tube-wells are not fully utilized and the very same expert team on Plan Projects had said that most fertile lands in Punjab are getting ruined by water-logging by seepage water from canals and distributaries. That is, waters in the canals and distributaries are not utilized at all for irrigation purposes and very fertile lands in Punjab are getting water-logged owing to seepage of the surplus water in the canals and distributaries. That is the state of affairs with regard to multi-purpose projects and the amount that had been spent on these multi-purpose projects had become more or less a waste and the agriculturists are not getting the expected benefit out of it. What is required for agricultural production which would give quick and immediate results, in my opinion, is to provide water at very cheap rates. It is not the big multi-purpose projects that are required by the agriculturists to increase production but it is small *kutchas* wells which will supply copious water supply to the agriculturists; and adequate and copious supply of fertilizers also is very essential for the food production. I shall deal with the fertilizers a little bit elaborately soon.

The other important thing which is required to increase food production

[Shri P. S. Rajagopal Naidu.]
is improved seeds and better agricultural implements. Last but not the least, is the cheap and timely credit that is required by the agriculturists. If only the Government both at the Centre and in the States, should concentrate on these few but important points, I am sure we will be able to achieve the target that is set out by the Commission and increase our food production not by 26 or 28 per cent. in the course of the next remaining 3 years of the Second Plan period but we will increase the food production by at least another 10 per cent.

Then I find in the Budget for the year 1958-59 a provision made for procurement and distribution of 4,47,000 tons of ammonium sulphate and 2,31,500 tons of other new fertilizers, a part of which is of indigenous manufacture. The revised estimates for 1957-58 for the procurement and distribution of fertilizers is Rs. 24 crores. The budget provision for 1958-59 is Rs. 21.51 crores. We find that only Rs. 9 crores is to be spent on the purchase of fertilizers. Sir, most hon. Members of this House had read the Ashok Mehta Committee report wherein great stress is laid on the increased use of fertilizers for the increase of agricultural production. The Planning Commission has said that nearly 23% or 24% of the increase in the food production has to be made only by the increased use of fertilizers. Now let me analyse the Plan target for the use of fertilizers for the years 1957-58 and 1958-59, the actual demand for fertilizers for 1957-58 and 1958-59 and what is the provision made in the present Budget for the supply of fertilizers. Sir, in the year 1957-58, the Plan target is 9.5 lakh tons of ammonium sulphate. I am not taking the other fertilizers now, I am referring only to ammonium sulphate and I shall leave the House to judge how in this state of affairs food production can be increased in our country. The Plan target for 1957-58 of ammonium sulphate is 9.5 lakh tons. But the actual

demand for the year is 13.4 lakh tons. That is to say, the demand far exceeds the Plan target. That only shows how the use of nitrogenous fertilizers has become very popular among our agriculturists. Then again in 1958-59, the Plan target is 12.5 lakh tons of fertilizers and the actual demand is 14.5 lakh tons. And we have now in the Budget a provision for only 6.70 lakh tons. So far as fertilizers are concerned, we have only a few lines in the Explanatory Memorandum which says:

"In the budget for 1958-59 provision has been made for procurement and distribution of 4,47,000 tons of sulphate of ammonia and 2,31,500 tons of other new fertilizers, a part of which will be produced in the Indian Factories."

[THE VICE-CHAIRMAN (SHRI RAJENDRA PRATAP SINHA) in the Chair.]

And they go on to say:

"The fertilizers are sold to the State Governments etc. at a uniform price which includes an element of equalised railway freight. The pool bears the actual freight up to rail-head destination."

Now, when the Plan target is 12 lakh tons in 1958-59 and the actual demand is 14.54 lakh tons the provision made for 1958-59 is only 6.70 lakh tons. If that is the state of affairs regarding the supply of fertilizers, how does the Central Government and how do the State Governments expect the agriculturists to increase food production? The provision made in the Budget is not even 50 per cent. of the actual demand by the agriculturist. The indigenous production in our country is only 5.4 lakh tons in 1958-59. No doubt, we have to depend mainly on imports. It is also true that the import of fertilizers means the waste of foreign exchange. But actually if we do not import fertiliser, we do not increase food production. The Government of India is rather prepared to spend

Rs. 100 to Rs. 150 crores every year in the import of foodgrains. But should not the Government of India spend some Rs. 10, 20 or Rs. 30 crores for the import of fertilisers and thus increase the food production. As a long-range policy, nothing prevents the Government from wasting—or I should say spending, it is not wasting—a little foreign exchange in the import of machinery for the manufacture of fertilisers. Strangely enough, I find that the Neivelli fertiliser plant is not in the core of the Plan. It is only the mining part of it that is in the core of the Plan. The construction of a fertiliser plant of the type of Sindri which produces about 1,000 tons of fertiliser a day or 3.5 lakh tons a year is about Rs. 30 crores. But with these deferred payment arrangements only about Rs. 5 crores to 6 crores will be required by way of foreign exchange now. We can certainly establish a fertiliser factory of the size of Sindri fertiliser factory and if only we have one or two of that type, we will not have to import fertilisers from foreign countries. It will not take a long time for the Government of India to have a fertiliser factory of the size of Sindri fertiliser factory. This is a thing which the Government of India will have to seriously consider, for unless enough fertilisers are given to the cultivators, the food production will certainly be impeded and we will not be able to reach the target at all.

Sir, take for instance a country like China. It produces 1,600 lbs of rice, from one acre. In Egypt the figure is 3,165 lbs and Japan produces per acre 3,381 lbs. and Italy 4,050 lbs, whereas in India the yield per acre is 800 lbs. The delegation that went to China has come out with a report which certainly should be an eye opener to those responsible persons in charge of food and agriculture in the Government. They have said:

"Japan has the highest average yield of brown rice per acre in Asia (6,000 lbs. per hectare or 2,400 lbs per acre). For increasing pro-

duction the Japanese have concentrated on two aspects (1) improved seeds and (2) use of fertilizers."

Further on they say:

"Our enquiries showed that on an average 800 lbs of fertiliser is applied to every acre in Japan. The total consumption of chemical fertilisers now exceeds 5 million tons."

But in our country the budget provision is only 6.70 lakh tons. But when you compare the area of cultivable land in Japan to that of the cultivable land in India here you have an area some 20 times larger. But there in Japan while they use as much as 5 million tons of fertilisers, we in India have provided only for 6.70 lakh tons. Japan increases food production by the use of more fertilisers and so they say:

"Our enquiry showed that on an average 800 lbs of fertiliser is applied to every acre in Japan. The total consumption of chemical fertilisers now exceeds 5 million tons. This has to be compared with 1.5 million tons in 1940 and 0.3 million tons in 1945."

So while in Japan it was only 1.5 million tons in 1940, it is now as much as 5 million tons, in 1957 when this delegation visited Japan, whereas in our country the figure for last year is 12 lakh tons and this year it is 6.70 lakh tons, so far as fertilisers are concerned. Further on they say:

"The comparable figures for India and China where cultivated area is 15 to 20 times larger, are 0.8 million tons and 1.8 million tons respectively. Japan produces chemical fertilisers in large quantities and if there is no local demand they have to find export markets. They are switching over from ammonium sulphate to urea."

They are switching over from one nitrogenous fertiliser to another

[Shri P. S. Rajagopal Naidu.]
nitrogenous fertiliser. Sir, I have been laying great emphasis on this question of fertiliser, for as I have already stated, unless we increase our agricultural production we are not going to achieve our Plan target.

There is no use having only industrial expansion or development on the industrial side and, unless agricultural production is also improved, we are not going to achieve our Plan targets and our Government is not doing anything for the increase in food production at all. It is trying to kill the very goose that lays the golden egg. If Government starves the land, people will starve and, as I have already said, cereals is the currency of all currencies, which Lenin said, and unless Government comes forward in helping the agriculturists to increase food production, we are not going to reach our Plan targets at all.

THE VICE-CHAIRMAN (SHRI RAJENDRA PRATAP SINHA): Mr. Surendra Mohan Ghose.

SHRI BHUPESH GUPTA (West Bengal): *Bhalo kore bolen.*

SHRI SURENDRA MOHAN GHOSE (West Bengal): *Tomar sambandheo bolibo.*

Sir, I congratulate the Finance Minister who is our Prime Minister for the Budget which he has presented and also for the plain speaking of his Budget speech. There is nothing novel in the Budget and nobody expected any novelty but it comes from our Prime Minister who has become the symbol of our national aspiration and also on whom high hopes rest today of the peace-loving population of the world at this time when we are passing through a very critical condition both in our national economy as well as in the international situation. Sir, I have no doubt in my mind that this will go a long way to restore confidence, both emotional as well as financial. He refers in his speech to the national loss which we have

suffered in the death of Maulana Saheb. In that also, the whole country is with him so far as the loss of Maulana Saheb is concerned. In one of his speeches in the other House he said that Maulana Saheb had a luminous mind.

SHRI BHUPESH GUPTA: Luminous intelligence.

SHRI SURENDRA MOHAN GHOSE: Luminous mind or intelligence.

SHRI BHUPESH GUPTA: No "or", luminous intelligence.

SHRI SURENDRA MOHAN GHOSE: Whether it is luminous mind or intelligence, I do not know whether my friend has really appreciated the real meaning of that term.

SHRI BHUPESH GUPTA: Yes, Sir, I have understood it sufficiently not to confuse it with "mind".

SHRI SURENDRA MOHAN GHOSE: We are sorry today that guidance from that luminous intelligence will be no more available for us.

Now I come to the general review of the price index. Whatever the figures may tell us about the price index, our experience is that the common man has not got any relief. I need not dilate on that point.

Next I come to the production, especially food production. My predecessor has covered some of the points. Here I want to mention about one article which appeared in the "Eastern Economist", January 31st edition, in which the author has drawn attention to an eight-point programme. The food situation in the country is causing anxiety to everybody irrespective of party affiliations. Therefore, a speedy solution of this problem is the vital concern of all of us. Although there is nothing very new in those eight points, briefly I am giving a general idea of the points mentioned in that article. The first is the need for a

floor under farm prices which, of course, takes for granted a granary and warehousing system. Number two is to help the farmer financially, to shift from the traditional to improved practices; he must be provided credit on the basis of production potential rather than the present form of institutional credit on the basis of security guarantees. The third is the supply of improved seeds, insecticides, fertilisers, etc., in good time to the villagers and not everytime too late for the season. The next is the supply of irrigation water at a lower cost or, if necessary, free of cost in some cases; reorientation of the administrative structure for the purpose of efficiently carrying out this policy of growing more food; vigorous approach to land reforms; community development programme to be integrated with maximum food production and, last of all, the mobilisation on a massive scale, of the nation's resources available for food production. Sir, in this connection, we cannot for a moment forget the great national loss we have suffered in the death of the late lamented Shri Rafi Ahmad Kidwai. I remember, Sir, when he lifted the ban and decontrolled food, he was confronted by the opinion of his officials that there will be famine if food were to be decontrolled at that time. Ultimately, a meeting of our Congress Party was convened in which the officials stated their viewpoint and Mr. Kidwai was asked to give a reply. His reply was very brief, in two sentences practically, he finished the whole thing. He said, "Yes, what these officials have stated is quite correct if I am to depend on their official statistics but my difficulty is that I do not believe these statistics. I have my own eyes. I go round the country and I have seen things myself and I am completely satisfied that nothing will happen". The whole Party supported him. Today also, to solve this problem, Kidwai's tenacity, his courage and his indomitable will is necessary.

SHRI BHUPESH GUPTA: All of which are lacking today.

SHRI SURENDRA MOHAN GHOSE: May be lacking for your Party but not in our Party.

SHRI BHUPESH GUPTA: If it is not lacking in your Party, why don't you do it?

SHRI SURENDRA MOHAN GHOSE: You will have enough opportunity of commenting. I will give you opportunities.

I come to the monetary situation and the balance of payments position. Our position today, no doubt, is improving but, at the same time, we shall have to maintain an ever-increasing vigilance over the whole situation. Then only, I think, we shall be able to tide over this difficult position and the difficult days. In this connection our Prime Minister has mentioned in his speech that some Governments have come forward to help us and we are thankful to those Governments and the people of those countries for coming forward to help us at a time when this assistance was most needed. He has also mentioned that apart from what we have received from the International Bank for Reconstruction the Government of the United States of America has offered us a loan of about 107 crores of rupees. West Germany, France, Canada, U.K., U.S.S.R. and Japan have also come forward to our assistance. Sir, we join our Prime Minister in expressing our appreciation to our friends who have come to our assistance. May I also say that I welcome the recently concluded trade agreement between our country and the United States of America? For more than one reason I welcome it. It will not only help us to tide over the difficult position in which we are placed today, but this will also bring nearer the people of these two great countries for a better understanding and also for working for a lasting peace and prosperity for not only these two countries but for the whole humanity.

Sir, mention was made by our friend, Shri Shiva Rao, about the

[Shri Surendra Mohan Ghose.]
Ford Foundation. I also know that they are doing very useful work, very good work in our country, and they deserve our appreciation and also our thanks.

Another point. We are in need of foreign capital to develop our own economy. I know, Sir, that the foreigners who want to invest in our country, they have one difficulty. I have come to know of it from several sources, and it is that they do not get the required information from our side. In this connection I believe the T.C.M. people suggested that our Government should set up some sort of an organisation with private businessmen also co-operating with it, for supplying information to the intending investors from foreign countries. I do not know what has happened to that suggestion, but I would like that that suggestion should be considered seriously.

SHRI BHUPESH GUPTA: They have sent the Birla Mission.

SHRI SURENDRA MOHAN GHOSE: Birla Mission is not a part of that suggestion.

(Interruption)

When my friend is so much interrupting, let me mention here about his speech the other day, about which I was very much disappointed.

SHRI BHUPESH GUPTA: Don't digress.

SHRI SURENDRA MOHAN GHOSE: I was very much disappointed because my young friend is the leader of the Communist Party. I was full of admiration for him because I know him from his childhood and, may I say, Sir, I liked him and also loved him, but the speech he delivered here the other day was very disappointing and made me sad; so much of irrelevant things he brought in in his speech the other day. My friends do not realise that they are very slow in understanding the working of that dynamic force which moulds and shapes the destiny of man.

SHRI BHUPESH GUPTA: What is that?

SHRI SURENDRA MOHAN GHOSE: You may call it historical force according to your dialectics, but there are different names for that great mighty force in different countries.

SHRI BHUPESH GUPTA: What do you call it?

SHRI SURENDRA MOHAN GHOSE: I call it God. You need not worry about it; let it be historical. Let it be the forces of history, but that you are very slow in understanding the working of that force is demonstrated by the recently changed constitution of your party. The whole of India in 1920 could realise that our path lay in a particular approach, but your party has taken so many years to realise that. Therefore, I say that you are slow in understanding the working of that mighty force, which is really shaping and guiding the destinies of humanity.

SHRI BHUPESH GUPTA: Is that the definition of godliness?

SHRI SURENDRA MOHAN GHOSE: We need not discuss it here. If you want to know something from me there will be enough time to discuss these things outside this House.

SHRI BHUPESH GUPTA: Others may also have some light thrown on it.

THE VICE-CHAIRMAN (SHRI RAJENDRA PRATAP SINHA): Order, please. The hon. Member may continue.

SHRI SURENDRA MOHAN GHOSE: Sir, I come now to gift tax. The other day one of our friends, he expressed his opinion against it. Sir, as I have understood the tax structure proposed during the Budget Session last year, it was an integrated complete thing and this gift tax has come a little too late in my opinion; it should have come last year along with the wealth tax and expenditure tax. The whole tax proposal was to provide incentives for creating more wealth and sharing

it with the rest of the people of our country. By taxing the wealth and by taxing the expenditure, without taxing the gifts as now, there was a loophole left through which the incentive, I think, could have gone astray. Therefore, this time, by bringing in this gift tax we have shut or closed that door through which it could escape. Now the whole position is this. For a man there is no limit for acquiring wealth. But he must spend it or invest it for some creative purposes. Otherwise the money will be taken away by the State. Therefore we have not put any limit on how far one can earn. But we are trying to create some difficulty for him if he wants to preserve this wealth for himself without using it for any productive purposes. That is the main basis on which this wealth tax, the expenditure tax and gift tax were contemplated, and I believe this will serve its own purpose. We have before us the ideal, creating a socialist pattern of society, and this tax structure undoubtedly will help us.

In this connection may I once again say another word with regard to my friend, Shri Bhupesh Gupta's speech the other day?

SHRI BHUPESH GUPTA: Don't waste your time *of* me?

SHRI SURENDRA MOHAN GHOSE: He confused one thing. In our country, in our Constitution we have made provision for the private sector. They are put there not because I want it or he does not like it. It is the country's genius that has produced the Constitution and in it they have made deliberately a provision that there will be a private sector, and that everybody could come in for any business or trade he may like to do.

(Time bell rings.)

Only two minutes, Sir, and I have finished.

The point is how far one can go to acquire wealth for himself without sharing it with the other members of

the society. Therefore this tax structure comes in.

Now, Sir, because my time is up I shall simply mention about the Geokhali port on which some of us are working; and Professor Kabir, when he was not a Minister but a Member, he brought a Resolution here. There is a proposal—in today's Question Hour also the Minister gave a reply to that question—that the Japanese are going to take about six million tons of iron ore from India. At present they are talking only 1.2 million tons . . .

SHRI MAHESWAR NAIK (Orissa): Four or five.

SHRI SURENDRA MOHAN GHOSE: But my information is that about six million tons they are going to take from India and the information given today was that they are considering to export iron ore from Rourkela to Vizagapatam or Baliadila through Vizagapatam and another place, Sukhinda through Paradip. In this connection, the possibility of exporting it through the new port which is going to be set up at Geokhali should be examined, because the distance from Rourkela to Vizagapatam is about 463 miles and that will require construction of new railway of about 150 miles; whereas the distance from Rourkela to Geokhali will be about 250 miles and it will require new construction of only about 30 miles. So, that should be carefully examined.

And, then, there is another thing.

THE VICE-CHAIRMAN (SHRI RAJENDRA PRATAP SINHA): Will the hon Member now wind up please?

SHRI SURENDRA MOHAN GHOSE: One minute please. I shall finish in one minute. There is another talk that the Silk Research Institute at Berhampore is going to be shifted somewhere. I say that before attempting to shift that from that place this matter should also be seriously considered.

[Shri Surendra Mohan Ghose.]

I thank you and I wholeheartedly and deeply associate myself with the last two paragraphs of the Prime Minister's speech in connection with the Budget.

SHRI B. B. SHARMA (Uttar Pradesh): Sir, I thank you for giving me this opportunity to speak at the fag-end of the day and I hope I will be given the benefit at least of my continuing it even on Monday, if possible. In that hope I start to speak what I have to say.

श्रीमान्, अब तक जो मैंने आंग्ल भाषा में कहा है उसमें मैंने आपसे केवल इस बात की प्रार्थना की है कि सोमवार को मुझे कुछ और समय मिल जाय।

मुझे इस बजट के बारे में दो तीन बातें कहनी हैं। एक बात यह है कि हमारे प्रधान मंत्री जो कि इस वक्त वित्त मंत्री भी हैं, उनके लिए मेरे हृदय में इस बात की ज़रूर इच्छा है कि मैं उनको बधाई दू। बधाई देने के कई कारण हैं। एक कारण यह है कि इस साल उन्होंने कोई नया कर इस देश पर नहीं लाया है। दूसरी बात यह है कि जो हमारी आर्थिक कठिनाई अपने कार्यों के सम्पादन में थी, उनकी सूचना से ज्ञात होता है कि कुछ बाहरी देशों की सहायता से उस कठिनाई को हम कुछ हद तक पार कर चुके हैं और अगले वर्ष में उस कठिनाई से हमारा सामना नहीं पड़ेगा। तीसरी बात यह है कि पार साल जो नये नये टैक्स लगे थे, उसमें उन्होंने कुछ ऐसे संशोधन करने का प्रस्ताव रखा है जिससे कि बहुत हद तक उनकी विपमता दूर हो जायगी। इसके अलावा एक और बात है जिसके लिए उनको बधाई दी जा सकती है और वह यह है कि दिसम्बर तक मूल्यों का जो चढ़ाव था उसमें अब कुछ कमी हो चली है। वस्तुओं के मूल्य और विशेषकर खाद्य पदार्थों के मूल्य जो कुछ ऊँचे जा रहे थे,

उसमें कुछ कमी आ रही है, इसकी भी कुछ सूचना उनके भाषण में होती है। इसके लिए भी वे बधाई के पात्र हैं।

अब बजट के सम्बन्ध में मुझे दो तीन बातें कहनी हैं। बजट के देखने में, जैसा कि मैं अपने थोड़े से ज्ञान में समीक्षा कर सका हूँ, उसमें यह मालूम होता है कि इस आगामी वर्ष में हम ८ अरब रुपया राजस्व में व्यय करेंगे और १० अरब १२ करोड़ रुपया कैपिटल की मद में खर्च करेंगे, यानी कुल मिला कर हम १८ अरब रुपया आगामी वर्ष में खर्च करने जा रहे हैं। जो हम लोगों को सूचना दी गई है उससे यह भी मालूम होता है कि आगामी वर्ष में हमारा कर्ज, यानी भारत का जो पब्लिक डेट है, वह करीब ८ अरब रुपये के बढ़ जायगा, यानी अधिकतर भाग जो हम कैपिटल का खर्च कर रहे हैं वह कर्ज ही से कर रहे हैं। किसी साधारण मनुष्य के लिए भी और खासकर किसी व्यवसायी के लिए भी यह बहुत घातक चीज होती है कि कर्ज बढ़ता चला जाय क्योंकि कर्ज के साथ साथ सूद का देना भी बढ़ता चला जायगा। राजस्व की मद में यदि हम इस बात की पूरी सावधानी नहीं रखेंगे कि हमारी सूद देने की जो शक्ति है वह भी साल बसाल बढ़ती चली जाय तो कुछ दिनों में हमारा दीवाला हो जायगा। यदि कर्ज बढ़ता गया और उसके साथ साथ हमारी सूद की अदायगी की जिम्मेदारी बढ़ती गई, जो कि अगर में गलत नहीं हूँ पब्लिक डेट और अनफंडेड डेट सब का लेकर सालाना करीब एक अरब ३० करोड़ के होती है, और उसके लिए हमने ठीक प्रबन्ध नहीं किया तो हमारे सामने बड़ी दिक्कत आ सकती है। यह सही है कि बहुत से कर्ज ऐसे हैं जो रेलों पर हैं और पोस्ट आफिसेज पर हैं और उनमें कुछ आमदनी होती है, लेकिन बहुत से ऐसे कर्ज हैं जिनसे कि आमदनी नहीं

होती है या जिनसे अभी हाल में आमदनी नहीं होने वाली है। ऐसे कर्जों का बोझ हम पर इतना न बढ़ जाय कि आगे चल कर हमें उनको देने में दिक्कत हो। दूसरी चीज यह है कि यह भी सही है कि कर्ज लेकर नये नये उत्पादन के साधनों की वृद्धि करना भी बहुत आवश्यक है, किन्तु उत्पादन की वृद्धि उसी मात्रा में होती चली जाय तब तो कर्ज का लेना उचित है। यदि उसी मात्रा में और उसी हद तक उत्पादन में वृद्धि नहीं होगी तो हमारे लिए हानिकर होगा। देखने में यह आता है कि कर में साल ब साल जो वृद्धि होती है, हमने पार साल जो कर लगाये हैं उनसे हमारी आमदनी में

जो वृद्धि हुई है वह जितनी हमने खर्च में वृद्धि की है उस मात्रा में नहीं है, यानी साधारण खर्च में। दो प्रकार के खर्च हमारे, एक वह खर्च जिनसे कि हमारे उत्पादन के साधन में वृद्धि होती है और दूसरा वह खर्च जो कि अनुत्पादक है।

THE VICE-CHAIRMAN (SHRI RAJENDRA PRATAP SINHA): The hon. Member can continue on Monday morning. The House stands adjourned till 11 A.M. on Monday.

The House then adjourned at five of the clock till eleven of the clock on Monday, the 10th March 1958.