

RAJYA SABHA

Friday, 21st April 1956

The House met at eleven of the clock,
MR. CHAIRMAN in the Chair.

MEMBER SWORN

Dr. Raj Bahadur Gour
(Hyderabad)

NOMINATIONS TO THE PANEL OF VICE-CHAIRMAN

MR. CHAIRMAN: Under sub-rule (1) of rule 7 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I nominate the following Members to the Panel of Vice-Chairmen:

1. Shri P. S. Rajagopal Naidu
2. Shri S. N. Mazumdar
3. Shri Ram Prasad Tamta
4. Shrimati Sharda Bhargava.

NOMINATIONS TO THE COMMITTEE ON PETITIONS

MR. CHAIRMAN: Under sub-rule (1) of rule 110 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I hereby nominate the following Members to be members of the Committee on Petitions:

1. Shri Jaspat Roy Kapoor
2. Shri P. C. Bhanj Deo
3. Shri Abdur Rezzak Khan
4. Shri P. T. Leuva
5. Dr. Shrimati Seeta Parmanand.

Under sub-rule (1) of rule 111 of the Rules of Procedure and Conduct of Business in the Rajya Sabha, I hereby appoint Shri Jaspat Roy Kapoor to be the Chairman of the Committee.

QUESTION HOUR ON FRIDAYS

SHRI MAHESWAR NAIK (Orissa): Mr. Chairman, before proceeding with the business, I would like to get a

28 R.S.D.—1

point clarified. From the Rajya Sabha Calendar, I find that the Question Hour is dispensed with on Friday days. I am of opinion—and I am sure many of my friends will share in my views—that the Question Hour is the most lively hour of our business. So, unless there is anything repugnant.....

MR. CHAIRMAN: It has been decided by the whole House that there will be questions only for four days in a week in the Rajya Sabha.

SHRI MAHESWAR NAIK: I would like to submit for the consideration of the House and also for your own consideration that the Question Hour should be introduced on Fridays also so that we may have one more opportunity to express our views as also secure clarifications.

THE FINANCE BILL, 1956—continued

SHRI C. P. PARIKH (Bombay): Mr. Chairman, I was saying yesterday that when we have cesses, excise duties and sales tax, we should proceed cautiously in regard to their appropriation, because the price parity in the country should be established. We have production programmes in which the same goods are manufactured both by the large-scale and small-scale units and the goods manufactured by the large-scale units cost a hundred rupees while the goods manufactured by the small-scale units would cost Rs. 130. Owing to this you will have the sales tax, excises, etc., amounting to about 15 per cent. What will happen is that the goods manufactured by the large-scale units would be sold at Rs. 130. This should not be there. The parity should be established that the goods are sold at about Rs. 118 or Rs. 120 so that the consumers may not have to pay a higher price. It is very necessary to support cottage industries because there is acute unemployment and under-employment in the country. However, the price parity should be done in a way in which the burden

[Shri C. P. Parikh.] does not fall heavily on the lower income groups especially in regard to consumer goods, of essential articles.

I will now come to the luxury goods. These are not adequately taxed, taxed in the manner in which they should be taxed. I think we have missed this point for so many years. Superfine cloth is not taxed adequately. Its levy is still low. If one cares to look at the balance sheets of those mills which are producing superfine cloth, one would find that they are getting fantastic profits. I can say this from experience and knowledge. I have been saying this to the Finance Minister for the last two years but very little has been done. Another point is that superfine cloth is made out of fairly expensive cotton which costs double to the country and has to be imported from outside. This point has also to be borne in mind.

I come next to artificial silk fabrics. When we want to add to our revenues, we shall have to tax even items which are sometimes used by the lower income groups. My principle is that food and cloth of medium quality should be available to everyone at the cheapest prices but in the case of luxury articles, they will have to pay higher and higher taxes. Take the case of the motor cars. Cars of 12 and 14 horse power are charged at a certain price but there are motor cars in the country of 28 and 30 horse power. These cars cost Rs. 20,000 and those who are using motor cars costing this much amount can very well spend Rs. 5,000 extra if they want to enjoy the luxury of these big cars. I do not want that luxuries should be denied those who want to enjoy them but they should be taxed and the tax should be a deterrent one, not an encouraging one. This is all the more important because our resources are few and our problems are many. Since the Budget proposals were published, our Defence expenditure has also gone up and is still going to rise. I think we cannot carry on in the way in which we

have been carrying on so far because we have to be alive to the problems of the day.

There is this question of the pleasure trips to the foreign countries. If a man could spend ten thousand rupees on a foreign trip, why can't he spend Rs. 2,500 more by way of tax to the State Exchequer? Foreign pleasure trips are conducted in the

name of business which the Finance Minister can very well scrutinise.

For festive occasions, a man spends two or three thousand rupees for lights. Why can't he pay a tax of a few thousands more? The way in which luxury goods are consumed in this country should be restrained if we want to carry out our economic objectives.

Next I come to the municipal taxes. Even though it is a State subject, we have to consider it. The tax that is demanded of spacious buildings is quite out of proportion to the floor space occupied by a low income family. There should be a revision of these taxes and the tax collected

should be on the basis of the floor space occupied by the family. These, are some of the suggestions that I have to make.

With regard to production, I say that production has been outstripped by consumption. Textile industry is one example. The effect of the recent excise duties is transferred to the consumers. When we levy excise duties, it is supposed that the producers pay a part of them whereas, in actual practice, they transfer them to the consumers. There is likely to be a shortage and I want that that should be foreseen. I would suggest that a third shift working of 8 lakh more spindles is possible in the country. This will relieve the shortage in the country. Five per cent deficit creates a shortage and a five per cent excess creates a glut in the market and the difference in prices is between 10 to 0 per cent. We must have a control over the prices of essential goods and we must have fiscal measures to see that the essential goods are available at fair prices. I would again point out to the Finance Minister and the

Minister for Commerce and Industry that there is scope for a third shift working of 8 lakh spindles. If this is properly utilised, we will not have any shortage of cloth and we may have lower prices also.

As regards the price of cloth, the wholesale price index which the Minister quoted yesterday is not correct. The correct index is the working class cost of living index in the States and that relates to the essential goods. That is the correct one. We want that items which enter into living of the low income groups should be controlled in order to see that these prices do not rise as they have risen. The price index is given in today's "Indian Express" but I have no time to refer to it.

Now, Sir, I will say something with regard to the division of profits last year by corporate enterprises. If six persons on the management of a company were holding 60 per cent, of the shares the company will have to declare division of profits to the extent of 60 per cent, and these six persons get a lion's share of the dividends. The concession was made last year by raising the holding from 50 to 60 per cent. I think, Sir, the time has come for withdrawing that concession and bringing it down again to 50 per cent, of the holdings and in course of time, after two years, it should be brought down to 40 per cent, and ultimately to 25 per cent. We do not want vertical expansion or vertical control of our industries monopolised by a few persons. We want horizontal expansion, if we want the private sector to survive, it will survive only if there is horizontal expansion and not vertical expansion as at present. You will notice that there is vertical expansion and that is being encouraged by the present methods of taxation.

Now, Sir, with regard to some of the statements of the Finance Minister, which have recently been made on taxation on consumption and taxation on surpluses. He has said that

it presents administrative difficulties, I quite realise, Sir, that administrative difficulties will be there, but how are we to meet them? Sir, 4,000 Members of the Central Parliament and the State Legislatures have taken the oath by the Constitution of removing inequalities in income and as such, Sir, I think this step of taxation on consumption and on surpluses will have to be taken as soon as possible if we at all want to reduce inequalities of income, but by the present system of taxation the inequalities of income cannot even be much reduced, I am definitely certain.

THE MINISTER FOR REVENUE AND CIVIL EXPENDITURE (SHRI M. C. SHAH) :
Not only income; wealth also.

SHRI C. P. PARIKH: But you have not *moved* in the matter. That is what I am saying and when you are talking of wealth then I hope that you will move in the matter in the next six months.

SHRI M. C. SHAH: Very soon; don't worry.

SHRI C. P. PARIKH: Otherwise these mere platitudes are useless; it must be followed by action because equality of opportunities and reduction of the disparity in incomes, all these can only be achieved by fiscal measures although, as I see, there may be administrative difficulties.

Then, Sir, the Estate Duty is there but the Gift tax is not there, and as long as the Gift tax is not there, the Estate Duty, in my opinion, is a mockery and a joke. The Estate Duty collections are only of the order of 24 crores of rupees and if the Gift tax is not there you cannot have the inequalities of income reduced and the rich man is bound to continue to be richer and the economic objectives laid down in the Constitution, which are so much dear to our hearts, will not be fulfilled.

Now, Sir, I said something about gold yesterday and I want to just explain that. The value of gold in this

[Shri C. P. Parikh.] country is there and this is centuries old. The value of gold in our country is owing to wearing of ornaments, which is not the case in other countries. If public opinion is there, if the public opinion is created by our social and political leaders against the hoarding or use of gold, the putting on of gold ornaments will be much less. If the big social and political leaders make it a point not to participate in functions where there is display of gold, then the amassing habit will be less. This is not the time for me to dilate on that point, but I say Government can devise enough measures to restrain the price of gold from rising. Gold is an important commodity useful for exchange and note-issuing purposes and therefore it cannot be trifled with. I think, Sir, the Finance Ministry are alive to the situation and I hope the Finance Minister will immediately, in this Session, introduce a measure by which the speculative transactions in gold are forbidden, which are being carried on for so many years.

Then, Sir, one point with regard to the rising of the prices of essential commodities. How is that? The rise is due to the bank advances and the banks are supporting inflation. I say this and it is borne out by the facts which are given in the 'Indian Express' today. It is this: "It may be pointed out that the quantities of rice and wheat pledged with the banks in the country at present are considerably larger than in the corresponding period of last year, being twice as much in the case of rice, and about one and a half times as much in the case of wheat. This clearly shows that the stocks of rice and wheat with the trade are much larger than in last year." I think, Sir, the Reserve Bank receives weekly statements from the Scheduled Banks about the advances they make, and I think, Sir, on essential commodities they should not be allowed to make advances beyond a reasonable figure and I (hope the Finance Minister will issue a statement to the press showing what are the advances they were made on

rice and wheat last year. Is not hoarding there? And what is the purpose of this hoarding? And if there is hoarding what is its effect on prices? This thing has to be borne in mind and I say, if we want to arrest any rise in essential commodities, then we must have a maximum price fixed for the commodities for a particular period and at this maximum price it should be possible to requisition the stocks with anyone, whether pledged with the banks or not.

SHRI H. C. DASAPPA (Mysore): Who gets the benefit of these prices?

SHRI C. P. PARIKH: The trade and Mr. Dasappa can very well understand.

Then the paper goes on, "Meanwhile all exports of rice, wheat, wheat products, wheat bran, rice bran, jowar, maize, gram and pulses have been completely banned." "Meanwhile" means that even during this period there might have been exports to an insignificant degree. Sir, we cannot trifle or play with exports of our essential commodities which are required for the lower income groups, and I think that with regard to this as with regard to cotton which we could have utilised in this country, we had made a mistake in the past and this mistake should not be repeated in the future. I do not say this in a spirit of criticism, but I say in all humility that, when we think of exporting our essential articles, we should be very cautious that we should have sufficient buffer stocks in the country to face any adverse monsoon.

Now, Sir, with regard to the Finance Minister's remarks that Rs. *HO* crores are annually evaded by the income-tax assesses. He told us that Rs. 10 crores concerned the lower groups, Rs. 10 crores the higher groups and Rs. 10 crores the middle groups. He has also mentioned that there are about 1,200 Income-tax Officers who are collecting these. I say, Sir, that if you want to get even one-third of this Rs. 30 crores, you will have to enlarge your staff of 1,200 Income-tax ; Officers to three times as much at

least so that no Income-tax Officer should be burdened with more than 12 or 15 cases of the higher income groups. Then only you will be able to get the assessment to the extent that you desire. Another thing. The payment which is made" to these officers is much below the requirement and their status is kept low. The Income-tax Officers who are drawing Rs. 500 to Rs. 600 only are on the other hand allowed the latitude of assessment of incomes which run into lakhs and lakhs of rupees and there can be an error of judgment, whether intentional or unintentional, I cannot say. As is the case with the judiciary which is held in high esteem, our income-tax department also should be well respected and the scales of pay are so regulated that their officers are above want and they are held in high esteem, that they also respect the assessee and not harass him and see that all taxes are properly collected.

One last word with regard to the Forward Markets Commission. The Forward Markets Commission is operating for the *last* two years *now*. Yet I *ECO*, Sir, that the income-tax revenues are being defrauded through the forward markets in the black market. People are squaring up their profits and losses in the forward market. Therefore the Forward Markets Commission has become very much alive to these speculative transactions and they have made a distinction between specific delivery contracts, transferable and non-transferable. Of course, these are highly technical terms, but I think, Sir, for the first time after two years they are going into this problem of restraining speculative transactions and seeing that the prices move within reasonable limits. Wide fluctuations are there and if we read all the columns of the daily papers, we will find 6 or 7 columns in which the prices of many essential articles at about 20 centres in the country are given. From the fluctuations in the prices you will notice why these transactions are allowed to such an extent. These are some of the suggestions, Sir, and

I if we know to control the movements of prices in a way which is desirable for the country in order that the maximum and the minimum prices are fairly maintained and legitimate trading carried on, we shall have achieved a great object.

Now, Sir, these are some of the suggestions which I have made in all humility. Because we are having a very bad time before us and because we are having deficit financing to push through our developmental programmes. We should pay that amount of attention which is necessary to attain our objectives and it is our duty to shape and mould the opinion of Government and to assist Government in these matters. I hope that other Members also will make their own suggestions to see that the prices do not rise in such a way as to bear no relation to the income of the lower-income groups. If the prices increase without a corresponding increase in their real income, that should not be allowed. I think, Sir, Government are alive to the situation and will take into account the few suggestions that I have made at this stage.

MR. CHAIRMAN: We have taken two hours. The time allotted is six hours. I have here a dozen names.

SHRI S. MAHANTY (Orissa): Sir, I wanted.....

SHRI J. S. BISHT (Uttar Pradesh): You can extend it by a couple of hours more.

MR. CHAIRMAN. We are giving you another 40 or 45 minutes extra. The difficulty is this. This has to receive the assent of the President tomorrow and so it has to be returned to the Lok Sabha this evening. So by four o'clock all the stages should be completed. You will have the allotted six hours for the general discussion and the extra time will be taken by Mr. Shah for the other stages. So we are extending the time allotted by nearly an hour. Fifteen minutes should be the maximum hereafter if all the 12 members including Mr. Mahanty are to get an opportunity of speaking.

श्री बी० बी० शर्मा (उत्तर प्रदेश): श्रीमान् चैयर्समैन साहब, मुझे इस बात के लिए अर्थ मंत्री महोदय को धन्यवाद देना है कि उनके काल में हमारी आर्थिक व्यवस्था सुचारु रूप से चलती रही है। यह भी सही है कि उनके प्रयास से और उनकी योग्यता से हमारे देश में किसी प्रकार की आर्थिक त्रुटि दृष्टिगोचर नहीं होती है। किन्तु यदि मैं उनके विरुद्ध दो चार बातें कहूँ तो मैं उसके लिए उनसे क्षमा मांगते हुए कहूँगा कि वे उसे इस भाव से लेंगे कि जैसे कोई अच्छे मलाहकार की राय लेता है। अगर वे इस दृष्टिकोण से देखेंगे तो मेरा यह कहना है कि जो हमारी सरकार का और हमारे देशवासियों का उद्देश्य है कि हम समाजवादी व्यवस्था का यहां स्थापन करेंगे, तो उस व्यवस्था का स्थापन करने में उनकी योग्यता कहां तक सफल हुई है यह उनको ही मालूम होगा।

समाजवादी व्यवस्था का रूप यह होता है कि जहां तक हो सके, लोगों की आमदनी में और लोगों की सम्पत्ति में बहुत ज्यादा अंतर न हो। यदि यह हमारा उद्देश्य है तो आज = वर्षों में, और खास कर इन ५ वर्षों में जब से कि मंत्री महोदय ने इस विभाग का बोझ अपने ऊपर लिया है तब से कहां तक हम उस ओर अग्रसर हुए हैं, यह हमें देखना चाहिए। १० वर्षों में गिरे हुए जर्मनी को इतना योग्य, इतना सम्पन्न और इतना शक्तिशाली बनाने में हिटलर समर्थ हुआ। आज हम पांच साल में इस समाजवादी व्यवस्था के स्थापन करने में, जिसमें हमारे गरीबों को अन्न और वस्त्र मिल सकें, और धनी लोग जो कि अपने वैभव और विलास में इतने निमग्न हैं उनके धन की कमी हो सके, यह कहां तक करने में हम सफल हुए हैं, उसे हमको देखना है। आज भी हम देखते हैं कि जहां १० वर्ष या २० वर्ष पहले दो चार आदमी इस योग्य थे कि वे एक मोटर रख सकें, आज उन आदमियों की आमदनी सम्भवतः गत लड़ाई के कारण बहुत अधिक हो गई है। लेकिन जिस परिमाण में उनके मकानात, उनके वैभव के सामान बहुत बढ़ते जाते हैं उसी परिमाण

में गरीबों की दुर्दशा और भी अधिक बढ़ती चली जाती है। देहातों में कोई भी आदमी सम्पन्न नहीं रह गया। देहातों में जो सम्पन्न आदमी थे अब किसी न किसी रूप में, जमींदारी विनाश के कारण और अन्य आर्थिक व्यवस्थाओं के कारण, उनको पैसे की कोई आमदनी नहीं रह गयी और वे सब खत्म हो गए। उनको मुआवजे का जो पैसा मिलता है उसमें से भी—मुझे आश्चर्य होता है कि इस बात को जानने में हमारे अर्थ मंत्री जी सफल नहीं हो सके हैं—उनमें ४ आना आय-कर लिया जाता है जिनको कि सिर्फ ५० रुपये जमींदारी विनाश के बौंड मिले हैं जब कि उनको सवा रुपया एक साल के सूद के होते हैं। शहरों में जिन लोगों की आय ४,२०० रुपया है उन पर सरकार द्वारा कोई आय-कर नहीं लिया जाता है किन्तु जिनकी आमदनी ४,२०० से ज्यादा है उन पर ही आय-कर लागू होता है।

लेकिन आज उत्तर प्रदेश के जिलों में ऐसे लोग हैं अगर आप पता लगायेंगे तो आपको पता लगेगा, कि जिनको जमींदारी एबोलिशन के बाद १०० रुपये के बौंड में १॥ रुपया सूद मिलता है उनसे भी चार आना आय-कर यानी इन्कम-टैक्स काट लिया जाता है। हां, उनको यह अधिकार अवश्य है कि अगर उस चार आने को न देना चाहें तो २५ या ३० रुपया खर्च करके आय-कर विभाग से एक सर्टिफिकेट ले सकते हैं कि वे इस योग्य नहीं हैं कि उनसे आय-कर लिया जाय। और जब उस सर्टिफिकेट को अपने सूद देने वाले विभाग को दिखलावें तब जाकर उनको वह चार आने वापस मिलेंगे; वरना वह चार आने उनसे ले लिये जाते हैं। किन्तु शहरों में ४,२०० रुपया आमदनी वालों से एक पैसा भी आय-कर नहीं लिया जाता है। गवर्नमेंट को चलाने के लिए डाइरेक्ट टैक्स उनसे नहीं लिया जाता है।

श्री जसोब सिंह बिष्ट : जिनके पास गवर्नमेंट मिक्सोरिटीज हैं उनको भी डाइरेक्ट टैक्स देना पड़ता है।

श्री बी० बी० शर्मा : लेकिन इन लोगों में तो १०० या ५० रुपये पर जो आयकर लिया जाता है वह तो सुपर टैक्स और सरचार्ज से भी ज्यादा हो जाता है। यह कैफियत होते हुए भी आप कहते हैं कि हम देश में समाजवादी व्यवस्था स्थापित कर रहे हैं। यह तो छोटे मुँह बड़ी बात करनी है। समाजवादी व्यवस्था के माने कुछ और होते हैं। समाजवादी व्यवस्था प्लेटफार्म पर से चिल्लाने से स्थापित नहीं होती, वह तो कार्य करने से स्थापित होती है। हमारा उद्देश्य देश में समाजवादी व्यवस्था की स्थापना करना है मगर इस तरह की बातों से हम समाजवादी व्यवस्था की स्थापना नहीं कर सकते हैं। हमारे अर्थ मंत्री कहते हैं कि हमें अपने देश में गरीबों की आमदनी बढ़ाने का प्रयास करना होगा लेकिन यह केवल जवान से कह देने या कागज पर लिख देने से नहीं हो सकती है। हम रोज "वसुधैव कुटुम्बकम्" का मंत्र कहते हैं, उसका नाम हर काम में लेते हैं, मगर वह "वसुधैव कुटुम्बकम्" कहाँ गया? आज तो अपना पड़ोसी भी कुटुम्ब में नहीं माना जाता है। हमारे वचन और कर्म में समानता होनी चाहिये।

मनस्येकम् वचस्येकम् कर्मण्येकम् महात्मनाम्
मनस्यन्यत् वचस्यन्यत् कर्मण्यन्यत् दुरात्मनाम् ।

हमारे अर्थ मंत्री जी तो गरीबों से चार आना ले लेते हैं लेकिन शहरों में जो करोड़पति और अरबपति रहते हैं अगर उनसे १० रुपया लेना होता है तो बहुत एपोलीजी के साथ लेते हैं, उनसे क्षमा मांगकर के लेते हैं। उनसे यह कहकर लेते हैं कि यह कार्पोरेट टैक्स है या कोई दूसरा टैक्स है। वह यह देखने का प्रयास नहीं करते हैं कि उनकी जितनी आमदनी है उस पर कितना टैक्स लिया जाता है। अभी मेरे मित्र श्री चन्दूलाल पारिख ने बतलाया कि टी गाडॅन्स और रबर गाडॅन्स के जो शेयर होल्डर्स हैं उनको सौ रुपये की लागत पर डेढ़ सौ रुपया और दो सौ रुपया साल का मुनाफा न जाने कितने दिनों से

मिलता चला जा रहा है। लेकिन उन पर टैक्स लगाने की जुरअत आप में नहीं है। आपकी हिम्मत उनसे एक पैसा लेने की नहीं है। लेकिन जो गरीब जनता है उससे आप चवन्नी वसूल कर लेने में ज़रा भी हिचक नहीं करते हैं। उनकी सवा रुपये की कुल आमदनी में आप चार आना ले लेते हैं और उनसे कहते हैं कि अगर इससे मुक्ति चाहते हो तो कृपा करके तुम चले जाओ, उन्हीं का एक मुहकमा है जिसको इंकम टैक्स डिपार्टमेंट कहते हैं, उसमें २० से २५ रुपये खर्च करके एक सर्टिफिकेट लाओ, तब चवन्नी से मुक्ति हो जायगी। यह ट्रैजिडी है या क्या है, इसको वे ही समझ सकते हैं। अगर आप समझें कि मैं इसमें कुछ गलत या सही कह रहा हूँ तो आप रिजर्व बैंक से इक्वायरी करके मालूम कर सकते हैं कि यह बात सही है या गलत।

फिर दूसरी बात आप देखिये कि आप कर भी लगाने चले तो लकड़ी कर है ही नहीं और अगर है भी तो नामिनल। हजार दो हजार रुपया पाने वाले खूब रोजाना सिनेमा जाबं, वहाँ बार में भी कुछ पैसा खर्च करें, उनके लिए कुछ कर व्यवस्था नहीं है। लेकिन अगर कोई आदमी अपना पेट भरने के लिये चार आने का अनाज लेने जाता है तो उससे दो पैसे जरूर ले लेने चाहियें। यह आपकी अर्थव्यवस्था है, समाजवादी व्यवस्था है। हमारे अर्थ मंत्री महोदय ने लोक-सभा में इसका बड़े अच्छे संस्कृत शब्दों में समर्थन किया। बड़ी सावधानी से और बड़े ठंडे हृदय से उन्होंने एक संस्कृत का श्लोक सुनाकर इसका समर्थन किया। यह ठीक है कि वे संस्कृत के एक बड़े पंडित हैं। इसके लिए खुशी है कि वे इतने योग्य हैं और इसके लिए भी खुशी है कि उनके ऐसा स्वस्थ पुरुष हमारे अर्थ-विभाग का मालिक है। किन्तु यह दुख की बात है कि सब कुछ होते हुए भी, सब गुण होते हुए भी गरीबों पर दया ज़रा कुछ कम है। गरीबी का उनको अनुभव नहीं है और न शायद दूसरे मंत्री जी को है।

श्री मणिलाल चतुरभाई शाह : मुझे अनुभव है ।

लिए मैं कुछ और विशेष नहीं कहना चाहता । क्षमा चाहता हूँ ।

श्री बी० बी० शर्मा : अनुभव है तो बड़ी खुशी है । लेकिन अगर है तो उनको कम से कम आप अच्छी सलाह तो जरूर देते । गरीबी का अगर उनको अनुभव होता, यदि गरीबों के प्रति उनके दिल में जरा भी दर्द होता तो जैसी बातें आज हमारे देश में हो रही हैं और जीवनोपयोगी सामानों पर जिस रूप से, जिस परिमाण से और जिस मात्रा में आप कर लगाते चले जा रहे हैं वह न कभी होता और न कदाचित् आप ऐसा करते ।

दूसरी बात मैं खेती वाली चीजों के सम्बन्ध में कहना चाहता हूँ । जो शहर के रहने वाले हैं वे बड़ा कुढ़ते हैं इस बात पर कि मैं यह कहता हूँ कि अगर आप चाहते हैं कि हमारी अर्थ व्यवस्था में समानता आये, और गरीबों की पूँजी कुछ बढ़े, गरीबों के पास कुछ सम्पत्ति हो और धनी लोगों की सम्पत्ति में कुछ कमी हो तो यह आवश्यक है कि कृषि से उत्पन्न होने वाली वस्तुओं की कीमत, उन पदार्थों से जो कि और जीवनोपयोगी सामग्री हैं उनके अनुपात से अधिक होनी चाहिये, ऊँची होनी चाहिये तब जाकर उनके पास कुछ संचित हो सकेगी । अगर दस रुपये का गल्ला वे बेचते हैं और बारह रुपये का कपड़ा उनको खरीदना पड़ता है तो दो रुपये कहां से आयेगा? यदि दस रुपये में से चार रुपये बचा कर छः रुपये में ही वे अपने और जीवनोपयोगी सामानों को खरीद सकते हैं तब तो चार रुपये उनके पास शेष रह सकते हैं । लेकिन खेती के पैदावार की कीमत बढ़ती हुई देख कर हमारे लायक दोस्त पारिख जी को भी दुख हो जाता है (समय की घंटी) । एक मिनट और लूंगा मेरा अनुरोध है कि कृपया आप अन्तों के भाव, परिमाण, उसके आंकड़े, उसका रेशो अन्य वस्तुओं की कीमत के रेशो से ऊँचा होना चाहिये जिससे गरीबों के पास कुछ शेष रह सके । चूंकि समय नहीं है, इस

j Dr. RADHA KUMUD MOOKEKJI | (Nominated): Sir, it is difficult from | the outside to suggest any alterations j in the Finance Bill which may effect its delicate balance and equilibrium reached through a good deal of labour and specialised study. I think it may be more pertinent to offer some general observations on the principles and general aspects of the Bill. It will, I think, be agreed on all hands that the financial system of a country, the structure of its taxation, are to be judged by the supreme test and criterion as to what extent it directly helps in the solution of its economic problems and leads the country from poverty to prosperity. The economic progress of a country depends upon three fundamental factors: (1) increase of national income; (2) increase of per capita income; and (3) increase of proportion of saving to investment or of capital formation. I am afraid the tax structure upon which the Government of India has been basing its Finance Bill from year to year rather weakens the incentive to saving. That is my first complaint. Now, the fundamental fact of India's economy is her colossal, phenomenal poverty and that poverty has attracted even international attention. For instance, even a mission of the International Monetary Fund, which came out to India and submitted its report to the Government of India, begins its report by saying:

"The standard of living of the people of India is among the lowest in the world. The standard of living of the lower income groups leaves almost no margin for reducing their consumption without impairing their health and efficiency. Investment in the health, strength and will of the people is as important for economic progress of India as investment in plant and equipment."

And further it states that the people are incapable, in their poverty, of

making the effort necessary to submit to fresh taxation. A further reduction in the consumption of lower income groups for the purpose of providing resources will not make for success. And then over and above that there is the dispassionate statement made by the *London Economist* after a careful survey of the situation. The *London Economist* says:

"In a population of over 360 millions only about seven lakhs are in a position to pay any tax and in 1951 only fourteen thousand had an income of more than three thousand pounds a year. In these conditions, to talk of a higher general rate of saving, in other words, of a further restriction of consumption, is to cut a percentage of Indians out of existence altogether."

Now, when we consider that out of a population of thirtysix crores of people about five lakhs are taxable, I am inclined to say that India is already a country predominantly of "have nots" and the growing poverty of India is also reflected in its budget. The Union's Budget does not exceed Rs. 450 crores, as against the other fact of a small country like the U.K. with only an eighth of India's population showing a monthly revenue of over Rs. 500 crores. The whole of India is unable to produce an annual revenue of Rs. 500 crores.

What is the result? The result is looming large in the appropriations of some of the Budgets in the United Kingdom. There the expenditure on education amounts to Rs. 350 crores, whereas in India, along with the Central and State grants for education, we have hardly an educational appropriation exceeding an amount of Rs. 100 crores per annum.

There are many Members who have spoken on the requirements of education. I will only call the attention of the House to one point, so vital for the educational progress of the country. I do not consider, in this connection, the needs of primary, elementary and compulsory education. That is a separate subject. But so far

as higher education is concerned, so far as the advancement of learning is concerned, I must say that the vital factor upon which educational advancement depends is the ratio of the number of teachers to the taught. I think it is from that point of view that the Educational Budget of the United Kingdom has been lately very much more liberalised than before. Now I think that we should concentrate on this problem, namely, that we should try to afford more personal contacts between the teacher and the taught. We should not regard education as a process of mass production as in industry. Ideal education is a very subtle process by which the inner growth of man is accomplished and, therefore, we must take recourse to other methods and not to factory methods of mass production. At present, in most of our colleges and universities, the number of students in any class is too big. Therefore, we do not at all call for any kind of conditions which may favour personal contacts between the teacher and the taught.

About figures of national income and *per capita* income, I find that there has been some kind of difference in calculations on this side. If we go on the basis of actuals, we shall find that between 1950 and 1954, the net national output increased by about 12 to 13 per cent, but the rate of capital formation is only 6.2 to 6.8 per cent. Now the *per capita* net output increased by only about 2 per cent, per year—about eight per cent, in four years. Here I must also say that it is necessary to take the net domestic output estimates of the growth of income and growth of *per capita* income. For instance, if you go into the actual figure, it is Rs. 91 *crores* in 1950-51 and it rose to Rs. 103 *crores* in 1954-55. Therefore, you can easily calculate that the rate of increase only amounts to about 2½ per cent. But I find that some of our Budget schemes depend upon more optimistic estimates. They count that perhaps in the next five years, we can count upon an increase in national income to the extent of 25 per cent., that is, at the rate of 5

[Dr. Radha Kumud Mookerji.] per cent, per annum. But this is against the facts that are before us, namely, only about 2½ per cent, increase per annum. Therefore, instead of about, say, 12 per cent, increase, the Finance Ministry is calculating on the basis of 2½ per cent, increase for the next Plan period in our national income. I think that this estimate requires to be carefully looked into.

In regard to the level of living, granting that the individual income rises, there are so many charges upon the individual income. Because of that, the poverty of India is reflected in the outstanding fact that the people are unable to satisfy the necessities of life as regards food and cloth. We all know that the food that is available to the average Indian is extremely poor so far as the nutritional standards are concerned. And similarly, as to clothing, we are able to afford to the individual Indian only about 15 yards of clothing per annum. So, with all these facts before us, I think that any increase in the national income will be appropriated first to the satisfaction of these necessities of life and therefore, there may not be any scope for savings which may be envisaged for national purposes. Now, considering the last five years, the ratio of saving to income is equal to 7 per cent. But the Finance Ministry is supposing that this percentage of 7 may be raised to 12. I think that we should be very cautious in these calculations.

For instance, the monthly expenditure on consumer goods has been calculated to be Rs. 22 per head. As you know, Sir, the individual income per month will be about Rs. 25 and out of these Rs. 25, the individual has to spend Rs. 22 per head on consumer goods and of which two-thirds are to be spent on food according to the calculations made by Prof. Mahalanobis. "Therefore, you should think that perhaps any increase of income that may be forthcoming to the individual on account of industrial development will be absorbed by the need for making up deficiencies in regard to the supplies of vital necessities of life.

Now the question is what should be the method by which this dire economic situation that is prevailing in the country can be remedied. In that connection, I think that West Germany suggests some remedies which may be explored. The German economic recovery was effected by making tax reductions—reductions on both direct and indirect taxation—thus giving encouragement to the formation of new capital in the shape of undistributed profits and new investments by expanding tax exemption for the purposes of replacements. Germany suffered the worst in the last war and therefore, the example of German recovery achieved in such a short time is an example which is most encouraging and should be followed by backward countries like India. Germany began by lowering the level of taxation so as to increase the savings by which capital would be forthcoming to finance industrial expansion. After all, a country like India must depend upon its own capital which should be formed in a proper manner and not upon foreign aid. Now this aspect appealed to the Germans and therefore, Germany began by building up her own domestic capital without depending upon foreign capital. (*Time bell rings.*)

How many minutes, Sir?

MR. CHAIRMAN: Another minute.

DR. RADHA KUMUD MOOKERJI: The difficulty is that there was no time-limit at the beginning and limits are put on speakers later on.

The next phase in German recovery was to raise consumer taxes and reduce non-taxable allowances for reinvestments ploughed back into the industry. Thus, the sales-tax was increased as a general tax on consumption. But the income-tax rates were not increased so as not to kill the incentive to work. The rates increased with the size of the income.

Reductions in tax led to increase of employment, of wages, of consumption, and generally of economic activity.

vity, with increase of net incomes as a result of tax reductions. I am quoting the actual words used in a very important volume, called 'Germany Reports'. In spite of its minimum per capita national income, India's tax rates are among the highest in the world. This is the opinion of the American Ambassador. And I must repeat that in spite of its minimum per capita national income, India's tax rates are among the highest in the world.

Then, Sir, I would like to know whether we cannot raise a mass tax like the salt tax, although it may be unpopular, or whether we cannot also utilise the revenue that is lost by prohibition for the sake of industrial development, which will ultimately benefit the masses, because philosophy and slogans might wait, but in the meanwhile, we must build up the economic life of the country by other means.

Then, Sir, I think there are certain very harsh rules which apply to the income-tax administration. There should be a rule by which any income-tax officer may not be able to make a raid on a peaceful household without showing proper identity. Even the policeman has some identification marks for introduction to a household. I understand that the rules are very very indefinite, and therefore there is considerable suspicion about the working of the new rules relating to the Income-tax Department.

श्री देवकीनन्दन (मुम्बई) : आदरणीय सभापति जी, नये नये कर लगाये जा रहे हैं और कहा जाता है कि आगामी वर्षों में और भी कर लगाए जायेंगे। मुझे ऐतराज नहीं कि देश के भले के लिए, देश के विकास के लिए नये कर लगाये जायें। परन्तु यह देखना चाहिए कि हमारी आम जनता कहां तक उन करों को सहन कर सकती है और उनसे हमारी आम जनता को कहां तक फायदा होता है। आज तो यह देखा जा रहा है कि जितनी भी बातें हो

रही हैं वे अधिकतर उनके हित के लिए हो रही हैं कि जो खाते हैं, कमाते हैं और अच्छी हालत में हैं, परन्तु देहात में जो गरीब जनता, दरिद्र जनता और खासकर जो मजदूर जनता है, उनकी हालत दिन प्रति दिन खराब हो जाती जा रही है, कुछ मुश्किल नहीं दिखाई देती। आज अगर देखा जाय, देश में लाखों आदमी भूखे हैं, लाखों नंगे हैं, लाखों घर विहीन हैं, लाखों शिक्षा विहीन हैं और लाखों बेरोजगार हैं। कहा जाता है कि उत्पादन बढ़ रहा है। परन्तु भाव तो बढ़ते जा रहे हैं। मैं जिस प्रान्त से आ रहा हूं उस प्रान्त में ज्वार स्टेपल फूड है गरीबों को, और वहां नवम्बर में जो भाव था ज्वार का, वह आज उससे दुगना हो गया है। आज हमारी गवर्नमेन्ट ने गेहूं का जो १४ या साढ़े १४ ६० मन के हिसाब से भाव निर्धारित किया है उस भाव में आज महाराष्ट्र में ज्वार बिक रही है। अब बताइये, फिर गरीबों को खाने को कैसे मिल सकता है ?

दूसरी बात है गरीबों को कपड़े की कमी। आपने देखा, कोर्स क्लायथ पर फी गज आधा आना बढ़ा दिया गया है। मुझे दुख नहीं होता यदि कोर्स क्लायथ पर या और किसी कपड़े पर आप टैक्स बढ़ा देते, परन्तु साथ ही साथ आपको यह करना चाहिए जैसा कि पूज्य विनोबा जी कहते हैं, कि हर एक गांव में अंबर चर्खा पहुंचा दिया जाय और हर एक किसान को उस चर्खे पर कातना सिखाया जाय। परन्तु दिन प्रति दिन आप गरीब किसान और देहातियों को बैठे दिनों के लिये कोई खास उद्योग नहीं देते हैं, उनको परावलम्बी बना रखा है। उनके फालतू समय के लिए आपके पास कोई काम नहीं है और दूसरी तरफ से आप कर बढ़ाते जा रहे हैं।

तीसरी बात ले लीजिए, घर विहीन हैं। कल माननीय अर्थ मंत्री रूरल हाउसिंग की बात कर रहे थे। शाह साहब इस वक्त बाहर चले गए हैं। मैं उनसे पूछना चाहता था कि आज रूरल हाउसिंग की क्या हालत है। वे

[देवकीनन्दन]

कल कह रहे थे कि रूरल हाउसिंग के लिये ५ करोड़ ५० सेकेंड फाइव ईयर प्लान में रखा है। वे कहते थे कि हाँ, मसला तो बहुत बड़ा है। मैं उनको बताना चाहता था कि आज रूरल हाउसिंग की यह हालत है कि तीन करोड़ घर ऐसे हैं जिनमें मनुष्य प्राणी रह नहीं सकता। आप किसी देहात में चले जाइये और देहातियों के घरों को देखिए और खास कर के हरिजनों के घरों को देखिये उनमें इन्सान तो क्या जानवर भी नहीं रह सकते। ऐसी हालत देखने हुए भी आप रूरल हाउसिंग के लिए कुछ नहीं करना चाहते और शहरों में बड़े बड़े मकान दुनिया भर के बनते चले जा रहे हैं। फिर, आपके कंट्रोल बढ़ते जा रहे हैं। आज बेचारा किसान लोहा लेने जाता है तो उस पर कंट्रोल लगा है, बिना रिश्वत के लोहा नहीं मिल सकता, दो सेर सीमेंट नहीं मिल सकता और यहां जमुना बह रही है सीमेंट की। यह हालत है, आज इतना फर्क है। आप ईक्वल अपाचुनिटी की बातें कहते हैं पर क्या शहरों और देहातों में ईक्वल अपाचुनिटी आप दे रहे हैं। कहां ईक्वल अपाचुनिटी है ?

शिक्षा को ले लीजिए। शिक्षा के ऊपर आप इतना खर्च करते हैं परन्तु देहातियों की शिक्षा की ओर देखिएगा। ८ वर्ष हो गए, अभी तक, जो आपने वादा किया था कि दस वर्ष में हम फ्री कम्पलसरी एजुकेशन कर देंगे, देहातियों के गरीब बच्चों को आप मामूली लिखने पढ़ने तक की व्यवस्था नहीं कर सके हैं। हजारों गांव ऐसे हैं जहां कि पढ़ने पढ़ाने की कोई तजवीज नहीं है। आप मामूली लिखना पढ़ना भी गरीब देहातियों को नहीं सिखला सकते और यहां हम देखते हैं कि यूनीवर्सिटी ग्रांट्स कमिशन यूनीवर्सिटियों को रुपया बांटने के लिए कायम होता है और उन गरीबों के शिक्षण के लिए कोई पैसे की तजवीज नहीं की जाती। आज जब फ्री एंड कम्पलसरी एजुकेशन के लिए पूछा जाता है तो हमारी स्टेट गवर्नमेंट्स कहती हैं कि हमारे पास पैसा नहीं है। हाँ,

किसी हद तक यह सच है। क्या सेंट्रल गवर्नमेंट नहीं चाहती कि स्टेट गवर्नमेंट को पैसा दिया जाय, उनकी मदद की जाय और पहले उन गरीबों की शिक्षा का प्रबंध किया जाय। बनिस्वत इसके, रिसर्च इंस्टीट्यूट्स, स्कालर्स इंस्टीट्यूट और न जाने कई बड़ी बड़ी बातें रोजाना सुनते हैं जिन पर करोड़ों रुपया खर्च होता है। तो आज ईक्वल अपाचुनिटी है कहां ? शिक्षा की यह हालत है, घरों की यह हालत है और रोजगार की यह हालत है कि लाखों आदमी आज बिना उद्योग के हैं। आप के ही कहने के मुताबिक आज डेढ़ करोड़ अन्डम्प्लौड हैं और अन्डरइम्प्लौड और हाफ-इम्प्लौड की तो कोई गिनती ही नहीं है। हमारे अर्थ मंत्री अपने व्याख्यान में कहते हैं कि सब से महत्व की और फिफ्टी देने वाली कोई बात है तो यह है कि हिन्दुस्तान में अन्डम्प्लौयमेंट की समस्या बड़ी जटिल है। हाँ, जटिल है। फिर इस जटिल समस्या को किस तरह से आप सुलझाना चाहते हैं ? हाँ, साहब हम काटेज इंडस्ट्रीज को मदद करना चाहते हैं और कर रहे हैं। लेकिन मैं साफ तौर से और बड़ी नम्रता के साथ कहना चाहता हूँ कि काटेज इंडस्ट्रीज के बारे में आप की जो आज पालिसी है वह स्टेपमदरली पालिसी है। न तो आप को अपनी पालिसी पर पूरा विश्वास है और न आप पूरी तरह से मदद कर रहे हैं। आप देखिये, अम्बर चखें के बारे में क्या कंट्रोवर्सी चल रही है। हमारे एक मिनिस्टर एक तरफ कुछ कहते हैं और दूसरी तरफ दूसरे मिनिस्टर कुछ कहते हैं। आल इंडिया खादी बोर्ड चाहता है कि उसे स्टेट्यूटरी बोर्ड बना दिया जाय। आठ महीने हो गये यह कहते कहते कि यहां पर बिल इंट्रोड्यूस किया जा रहा है, लेकिन अभी तक उस बिल का कोई पता नहीं। स्टेट्स में भी स्टेट्यूटरी बोर्ड्स बनने को थे, परन्तु उन सब को लिख दिया गया कि अभी ठहरिये, स्टेट्यूटरी बोर्ड्स नहीं बनाइयेगा। स्टेटों में स्टेट्यूटरी बोर्ड बनने से

रह गए। खादी बोर्ड ४ करोड़ रुपया मांगता है तो गवर्नमेंट ढाई करोड़ देती है। क्यों? क्योंकि "Expert opinion cannot be accepted in toto" खादी बोर्ड पैदा किया हमने खादी के काम के लिये पर यह बात थोड़े ही है कि उन की हर एक बात मान ली जाय। नतीजा यह होता है कि अगर वह १० करोड़ रुपया मांगता है तो ६ करोड़ देते हैं, ७ करोड़ मांगता है तो ५ करोड़ देते हैं। उस की सिफारिशों की कोई पूछ नहीं, उस के हर काम के लिये कमेटी कायम कर दी जाती है।

आप जानते हैं कि देहातियों का उद्योग उन के घर पर ही मिलना चाहिये। चावल कूटने का उद्योग ले लीजिये, उस में लाखों आदमी पेट भर सकते हैं। आल इंडिया खादी बोर्ड ने सिफारिश की कि हलस मिल्स बन्द कर दी जायें। उस के बाद गवर्नमेंट ने एक राइस मिलिंग कमेटी कायम कर दी। एक साल हो गया अभी तक उस की रिपोर्ट का पता नहीं है। उस की क्या सिफारिशें हैं उन का कोई पता नहीं। सेक्रेटरी फाइव ईयर प्लान आने को है परन्तु उस राइस मिलिंग कमेटी ने क्या सिफारिशें की और उन को आप क्यों नहीं मान रहे हैं, क्यों नहीं स्वीकार करते हैं, यह समझ में नहीं आता। फिर आप ने आइल प्रसिंग कमेटी कायम की, उस की रिपोर्ट आ गई लेकिन उस का भी कोई पता नहीं। कारवे कमेटी कायम हुई, उस की सिफारिशों का पता नहीं। टेक्सटाइल कमेटी की रिपोर्ट को आने को साल डेढ़ साल हो गया, अभी तक उस के ऊपर विचार हो रहा है। यानी कि जितनी भर बातें गरीबों को और देहातियों को इम्प्लीमेंट देने की हैं उन के बारे में अभी तक हमारा विचार ही होता रहता है और किसी निर्णय पर हम नहीं आते।

इस के बाद आप देखेंगे कि खाने के तेल के ऊपर कर लगने जा रहे हैं, सेर के पीछे एक आना। आज आप को पता है कि

गरीब आदमी को कितना तेल मिलता है। डाक्टर्स कहते हैं, एक्सपर्ट्स कहते हैं कि हर एक मनुष्य को दो आउंस-५ तोला फैट मिलना चाहिये और हिन्दुस्तान में बड़ी मुश्किल से पौन तोला तेल फी आदमी को मिल पाता है। यानी कहां ५ तोला तेल मिलना चाहिये, कहां पौन आउंस तेल मिलता है। इस से देश का आरोग्य, देश के गरीबों का शरीर किस तरह से दुस्त हो सकता है जबकि उन्हें आवश्यक मात्रा में फैट ही न मिले और जबकि तेल के ऊपर कर बढ़ता जा रहा हो। हमें तो यह चाहिये कि इस तरह से तेल की पैदाइश बढ़ायें जिस से कि देहातियों को अधिक तेल खाने को मिल सके। लेकिन हम देखते हैं कि यह तेल जहां तहां बाहर भी भेजा जाता है।

12 NOON और आज हमारे देश में लोगों को खाने के लिये पर्याप्त तेल नहीं मिलता है। बहुत सा तेल बाहर के देशों को भेज दिया जाता है। जिस तेल को गरीब लोग अपने खाने के काम में लाते हैं उस को साबुन और पेन्ट्स बनाने के लिये दे दिया जाता है। इस तरह से हमारा खाने का तेल बरबाद किया जा रहा है और गरीब लोगों को खाने को नहीं मिलता। अब मैं यह बतलाऊंगा कि किस तरह से हमारा खाने का तेल बरबाद किया जाता है। ७० हजार टन खाने का तेल साबुन बनाने के काम में लाया जाता है, ३० हजार टन तेल पेन्ट्स बनाने के काम में खत्म हो जाता है और २५ हजार टन खाने का तेल लुबरिकेटिंग आयल बनाने में खत्म हो जाता है। इस तरह से करीब डेढ़ लाख टन खाने का तेल खर्च हो जाता है और गरीब लोगों को नहीं मिलता। जब हमारे देश में इतना अखाद्य तेल पैदा हो सकता है तो फिर खाने का तेल साबुन के लिये क्यों इस्तेमाल किया जाता है, समझ में नहीं आता। आप लोगों को मालूम होगा कि हिन्दुस्तान में अखाद्य तेल बहुत पैदा हो सकता है और पैदा किया जा सकता है जिस से पूरा

[श्री देवकीनन्दन]

साबुन बनाने का खर्चा निकल सकता है। हमारे देश में नीम, महुवा और करंजिया के पेड़ चारों तरफ बहुतायत से होते हैं। उन का बीज मुफ्त जाता है अगर हम इन बीजों का अच्छी तरह से इस्तेमाल करें तो हमें उन से बहुत तेल मिल सकता है। अगर हम ने यह काम किया तो हमारा जो डेढ़ लाख टन खाने का तेल और चीजों के बनाने में खर्च हो जाता है वह बच जायेगा। ७० हजार टन तेल साबुन बनाने में जो खर्च होता है वह अखाद्य तेलों से बन सकता है। अगर इस तरह का तेल इन पेड़ों के बीजों से निकल सकता है तो सरकार को इस चीज के लिये पूरा इनकरेजमेंट देना चाहिये। नीम, महुवा और करंजिया के पेड़ सारे देश में फैले हुए हैं, उन का बीज हमें मुफ्त नहीं जाने देना चाहिये। It is wealth turned out of waste. अगर हम ने इस तरह का तेल बनाया तो हमारा बहुत सा खाने का तेल बच जायेगा जोकि गरीबों के इस्तेमाल में आता है।

मैं ने आप से कपड़े और तेल की हालत के बारे में कह दिया है। अब मैं आप से दो बातें शिक्षा के बारे में और कहना चाहता हूँ। कहा जाता है, हमारा यह दावा रहा है कि कांस्टीट्यूशन में हिन्दी के लिये १५ वर्ष की जो अवधि रखी गई है, उस में वह हमारी सरकार के व्यवहार में पूरी तरह से आ जायेगी। परन्तु जब मैं हिन्दी के बारे में इस समय देश में जो गड़बड़ चल रही है, सुनता हूँ और देखता हूँ तब मुझे कोई आशा मालूम नहीं देती कि १५ वर्ष की अवधि में हिन्दी का प्रचार जिस तरह से हम चाहते हैं, कर भी सकेंगे या नहीं। कारण इस का यह है कि जिस बात का हम विश्वास करते हैं वही हम कर सकते हैं और जिस में हमारा विश्वास कम हुआ करता है, वह हम से नहीं होती है। इसलिये मैं फिर सरकार से यह प्रार्थना करूंगा कि देश में

एकता लाने के लिये यह आवश्यक है कि हमारी एक राष्ट्रभाषा हो जिस में हम अपने विचारों को सब के लिये व्यक्त कर सकें। यह बात आप को करनी ही होगी।

यहां मैं आप को यह याद दिलाना चाहूंगा कि मरने से पहले बापू जी ने यह इच्छा प्रदर्शित की थी कि सब से पहली बात यदि कोई होनी चाहिये तो वह यह कि हमारा सारा राजकाज का काम हमारी भाषा में होना चाहिये। यहां तक कि उन्होंने अपने पत्र अंग्रेजी में लिखने भी छोड़ दिये थे।

(समय की घंटी)

Two minutes more.

महात्मा जी ने राजा जी को भी हिन्दी में पत्र लिखना शुरू कर दिया था जिस से राजा जी नाराज भी हुए थे। गांधी जी ने लिखा था "राजा जी आप नाराज होते हैं यदि मैं हिन्दुस्तान की भाषा में लिखता हूँ। आप का क्या यह कर्त्तव्य नहीं है कि आप को हिन्दुस्तानी भाषा जाननी चाहिये।" राजा जी ने महात्मा जी की बात को आखिर कबूल कर लिया। मैं आप से प्रार्थना करूंगा कि आम जनता की निगाह से हिन्दी की आवश्यकता को ध्यान में रख कर आप को उसे अधिक से अधिक अपनाना चाहिये और बढ़ाना चाहिये।

हम से प्रार्थना की गई है कि पंचवर्षीय योजना के यज्ञ के लिये आहुति देने के लिये हमें तैयार रहना चाहिये। हां, जरूरी बात है, देश के लिये आहुति देना आवश्यक है। लेकिन यह आहुति दे कौन? क्या यह आहुति उन लोगों को देनी होगी जो पहले से ही गहरे निचोड़े गये हैं। 'नंगा नहाये क्या और निचोड़े क्या'? देश के हजारों लाखों देहातियों, हरिजनों और आदिवासियों के पास है क्या जो वे कुछ दे सकें। सरकार कहती है कि औस्टरटी प्रोग्राम बनाया जाय। मैं चाहता हूँ कि इस तरह का प्रोग्राम बनाया जाय क्योंकि इस की आवश्यकता है। यह औस्टरटी

प्रोग्राम आप को उन लोगों पर लागू करना चाहिये जो शहरों में रहते हैं, पढ़े लिखे हैं धनवान हैं और जो बीच के वर्ग के लोग हैं। गरीब और देहात के किसानों से आप इस प्रोग्राम की आशा नहीं कर सकते हैं।

आप प्राथमिक शिक्षा देहात में देना चाहते हैं। यह बहुत अच्छी बात है कि हमारे देहात के लोगों को जो सब तरह से पिछड़े हुए हैं शिक्षा दी जाय। मगर जब हम शिक्षा के प्रबन्ध के बारे में गांवों में जा कर देखते हैं तो हमें वहां पर स्कूल की कोई इमारत नज़र नहीं आती। वहां पर लड़के पेड़ों के नीचे बैठे पढ़ते हैं। गिरे पड़े घरों में स्कूल चलता है। सरकार शहरों में तो बड़ी बड़ी इमारत स्कूलों के लिये बना रही है, यहीं दिल्ली में किसी पब्लिक स्कूल के लिये २० लाख रुपये खर्च किये जाने को हैं किन्तु देहात के लोगों के लिये इस तरह का कोई प्रबन्ध नहीं किया जा रहा है। जब हम देश में सोशलिस्टिक पैटर्न आफ मोसायटी की व्यवस्था करने जा रहे हैं तो हमें सब को ईक्वल अपार्चुनिटी देनी चाहिये। देहात में जो नीची श्रेणी के लोग हैं उन्हें हमें ऊंचा उठाना होगा। हमें देहात वालों की तकलीफों को समझना होगा और उसे दूर करना होगा। उन के खाने पीने, शिक्षण, उद्योग और दूसरी चीजों की व्यवस्था करनी होगी। मैं समझता हूं कि अगर हम उन की दिक्कतों को दूर कर देंगे तो वे सरकार को टैक्स ही क्या और भी सब प्रकार की आहुति देने में किसी से पीछे नहीं रहेंगे। यह कहा जाता है कि हमारी देहात की जनता को सहयोग करना चाहिये लेकिन जब तक हम उन की दिक्कतों को दूर नहीं करेंगे, उन के भोजन की, रहने की और शिक्षा की व्यवस्था नहीं करेंगे तब तक हमें उन का पूरा सहयोग मिलने की आशा नहीं करनी चाहिये। मुझे पूरा विश्वास है कि हम उन की दिक्कतों को जल्द दूर कर सकेंगे। स्वराज्य का अर्थ यह है कि

Real Swaraj must be felt by all men, women and children.

SHRI S. MAHANTY: Mr. Chairman, j Sir, whoever has listened attentively to the speeches from that side of the-j House on this Finance Bill must have been more than convinced that the Finance Bill provides yet another occasion for pricking the bubble of professions of a socialistic pattern of society.

[THE VICE-CHAIRMAN (SHRI P. S. RAJAGOPAL NAIDU) in the Chair]

Sir, if you look at the proposals embodied in this Finance Bill, you will notice the sinister design of broadening the taxation structure at the lower levels with its greater incidence on the consuming public. If you come to the indirect taxation, you will find that duties are being proposed to be levied on commodities-like medium and coarse cloth, soap-and so on and so forth. Last year excise duties were levied on articles like shoes and sewing machines. Before that sugar, matches, tobacco, etc. were very heavily taxed. This has to-be considered in the background of exemption of estates like tea estates,, coffee estates and rubber estates from taxation.

Sir, I am quite aware of the-specious argument that the Taxation Enquiry Commission made certain' recommendations which are merely being implemented. I am also aware of the fact that for the successful completion of the Second Five Year I Plan, we require heavy taxation but the fact has to be borne in mind that the taxable capacity of the people must also be proportionately increased-so as to enable the people to pay the increased taxation that are required of them. In this connection-I would beg this House to consider the proposal to initiate a uniform, prohibition policy in this country. I don't hold any brief for the anti-prohibitionists. I am aware of the fact, that this drinking habit has ruined-the happiness of many a home and many a family and is considered by some as a social evil. But the fact has to be borne in mind that if this

[Shri S. Mahanty.] prohibition programme is implemented, we will be losing, rather we have lost to the extent of about Rs. 42 crores last year. Here is a publication in my hand—"Prohibition—Questions and Answers" which has been circulated by the Publications Division of the Government of India. At page 6, you will find a question: "Will prohibition not deprive the State of -an important source of revenue and thus starve education and other nation-building activities which have found prominence in the Five Year Plans?" After having asked this question, this booklet gives the answer. It says:

"It is true that by introducing prohibition, the State will lose an important source of revenue and may, to some extent, be obliged to curtail for a time the expansion of its nation-building and other activities including, perhaps, education."

Then it proceeds to say:

"It is true, at present, when the country has launched a programme of economic regeneration through a series of Five Year Plans, that we need every penny that can be scraped together. Nevertheless, the loss of revenue is not such as cannot be made up at least partially from other sources."

Now the fact is, it is worth while to remember, that in the year 1934-55, on account of prohibition we have lost a total sum of Rs. 44 crores. Now it was only a partial prohibition. I don't know when the complete prohibition programme is launched, what will be the total amount of loss. What I would like to ask the hon. Finance Minister to consider is, whether he would like to make good this loss, by levying taxation on commodities like coarse cloth, and soap which are every-day necessities. Even the Government have admitted, according to this publication, that it may not be quite worth while to starve other nation-building activities by depriving

the States of a most important source of revenue. The sooner we separate the question of prohibition from its moral implications, the better. It is being said that Gandhiji was once of the opinion that the revenue which is derived from drinking is a sin-money and it is better that the country should go uneducated, the country should go illiterate than educate its people by income derived from this source. Sir, I have got every respect for that great man. Here we are dealing unfortunately with a fiscal question, a sociological question, and not a metaphysical and moral question. The question of morality differs from man to man, from society to society, from norm to norm. If Gandhiji had known that his followers, with a glass' of aqua *pura*, could run mad from one end of India to the other, then probably the first thing which he would have advocated was prohibition of power and not prohibition of alcohol which contains only about 30 per cent. This power contains more than 100 per cent alcohol and is more maddening than alcohol itself. Therefore let us not go into the question of morality. Here is a question which should be considered with a dispassionate seriousness namely, whether we should lose a substantial source of revenue on account of prohibition which is again a State subject and over which the Constitution does not give any authority to the Government of India or the Parliament to enunciate a uniform policy—whether it is open to us to throw that money to the gutters and to enrich the coffers of the illicit distillers and starve our nation-building activities and to make good the loss by proposing such kind of taxation.

Again, it is quite unfair on the part of the Ministry to cite here the recommendations of the Taxation Enquiry Commission. I would like the hon. Finance Minister to cite a single instance in which a report of a Commission like the Taxation Enquiry Commission, has not been discussed in this House. The other day the

Press Commission's report was discussed in this House as well as in the other House before the Government formulated certain courses of action on the basis of those recommendations. The Taxation Enquiry Commission report is a very valuable document, which contains many valuable recommendations. Neither this House nor that House has been provided with any opportunity of considering those recommendations at any length. Last year, the Finance Minister, armed with three bulky volumes of that report, managed to smuggle some of those recommendations into last year's Budget:

SHRI M. C. SHAH: Smuggle?

SHRI S. MAHANTY: Yes, because it was not discussed in this House. If the Government thought it fit to implement some recommendations of a Commission which they had appointed without the approval of the House, then the terms of reference of that Commission should not have been announced in this House. We all awaited the opportunity when the Government would come to this House for a discussion on that report but that was not done nor that is ever going to be done but on the basis of those recommendations, the hon. Finance Minister seeks to justify every kind of iniquitous taxation proposal that strikes his imagination. Sir, it is true when it is professed, when it is claimed that the per capita income, that the national income of India has recorded an increase of 18 per cent, when the achievements of the First Five Year Plan period are taken into account but in subjective terms, it is most elusive. I would like the hon. Finance Minister to answer whether this increase in the national income is reflected subjectively in the income of the average people.

SHRI M. C. SHAH: The hon. Member was not present yesterday when I replied on this point and I don't think he can expect me again to repeat the same thing.

28 RSD—2.

I SHRI S. MAHANTY: I have gone through his speech and on the basis of that speech alone I am offering my comments. Now we all know that India is a Union of so many States. If you go to States like Orissa and other comparatively backward and undeveloped States, you will find that, the per capita income is much less—is less by more than 50 per cent, of the average per capita income of India which has been computed at Rs. 285 a year. I would like the hon. Finance Minister if he has got any material in his possession to tell me what is the per capita income in the backward States like Orissa or Assam.

SHRI M. C. SHAH: He can find out as he comes from Orissa.

SHRI S. MAHANTY: I made my enquiry from the National Sample Survey Office but they said that they had no such information. Therefore I have to rely on the information which has been provided to me by the Finance Minister of Orissa. And according to his report the per capita income in Orissa is in the neighbourhood of only Rs. 80/- a year. When you are exempting the coffee plantations, the tea plantations and the rubber plantations in the country and when you are imposing this kind of indirect taxation even on articles of food, in all propriety we have a right to ask whether in the absence of any increase in the taxable capacity of the people you have any right to come here with all these impositions. We all know that for the success of the Second Five Year Plan we require heavy investment, but that investment must come from other quarters.

THE VICE-CHAIRMAN (SHRI P. S. RAJAGOPAL NAIDU) : You have only one minute more.

SHRI S. MAHANTY: Sir, from my group probably I am the only speaker and I do hope you would be good enough to extend my time by another five minutes.

THE VICE-CHAIRMAN (SHRI P. S. RAJAGOPAL NAIDU) : Please finish soon.

SHRI S. MAHANTY: Yes, Sir. We all know that the successful implementation of the Second Five Year Plan would entail very heavy investments. But why should all that investment come from coffers that are already pauperised? Why should it come from people who are living even below the marginal level? We all know that as the first step towards the realisation of the ideal of a socialist society land ceilings are going to be fixed. But a big controversy has been raised as to why the Government should not similarly fix a ceiling on the income from other sources. The hon. Finance Minister has argued that the supply of land is restricted and therefore the ideals of social justice can be served by an equitable distribution of land the supply of which is limited. But may I ask the hon. Minister to let me know whether the flow of other kinds of wealth is unlimited? Here it is a question of the equitable distribution of unlimited wealth and not the concentration of it in a few hands who may enrich the party coffers of the party in power. Sir, it pains me to hear such kind of arguments from the hon. Finance Minister when it comes to the rural sector. When it comes to the rural sector it does not prick his conscience to come down on the people with all kinds of taxation proposals. But when it comes to the urban sector, when it comes to the industrial sector, when it comes to the commercial sector, he is quite sympathetic to them. Viewed in that light, this Finance Bill has not much of.....

THE VICE-CHAIRMAN (SHRI P. S. RAJAGOPAL NAIDU) : Please wind up.

SHRI S. MAHANTY: I am just winding up. Therefore, in the fitness of things I would like to record my protest against such kind of proposals in the Finance Bill.

THE VICE-CHAIRMAN (SHRI P. S. RAJAGOPAL NAIDU) : In view of the

large number of speakers, it has been decided by the Business Advisory Committee that the House will sit through the lunch hour also. The next speaker is Shri B. K. Mukerjee.

SHRI B. K. MUKERJEE (Uttar Pradesh): Mr. Vice-Chairman, Sir, I stand to support the Finance Bill because the yield from these extra taxes is supposed to be required for the development of the country and the implementation of the Second Five Year Plan. Therefore, I do not think there can be any disagreement on the extra taxes that are going to be levied. The Second Five Year Plan, as the hon. Finance Minister has stated, is a very bold and ambitious one and to implement such an ambitious and bold plan, they require a lot of money. But I would add that they would require not only a lot of money but also the enthusiasm of the entire population of the country. I am very doubtful if in the policy of the Finance Department there is any proposal to create the incentive of the people and to make them feel enthusiastic and come forward to achieve the objectives of the Second Five Year Plan. To rightly and quickly implement the Plan is not the work of only a few highly placed people, those who are fortunate enough to have enough. It is the work of the people and especially of the people employed by the Government in the lower strata.

[MR. DEPUTY CHAIRMAN in the Chair.]

I am obliged to submit that to those in the lower strata there is no incentive to become more efficient and more active and to rise up to the standard that is required of them in order to implement this Plan. This extra taxation will certainly bring in some extra revenue. But we do not know how this money is going to be utilised. If we examine the position in the Finance Department itself, not in any subordinate office of the Department, but the position of the staff employed under the very nose of the Finance Minister, those in the Secretariat, we will, get a picture

which will show us how this department can function more efficiently and how we can create enthusiasm among the staff who are required to be more efficient and more active in order to discharge the duties required of them. In the Secretariat itself, in the Finance Department, a lot of staff are employed as temporary, they have no security of service. They do not know what is in store for them in the future and so, they cannot put their mind and soul to work effectively and efficiently for the prosperity of the country. This is not a new factor in this year's Budget; it is a factor which I and everybody have been seeing in the Budgets of the past years. Now, under the very nose of the Finance Minister, this is what happens. They have provided for the permanent staff an amount of Rs. 2,84,000 whereas for the temporary staff a sum of Rs. 4,75,000. that is to say, more than double, has been provided. More than double the number of the permanent staff is temporary; these people do not know -what will happen to them tomorrow; they have got no security. They also do not get the same amount of emoluments that are paid to the permanent staff. Therefore, even if we expect them to be efficient, they can't be. This is not only the case with the Finance Ministry; this applies to all the Ministries. I will cite a few instances in the Home Ministry which sanctions the appointment of the staff, whether permanent or temporary while the parent Ministries provide the money. In the Home Ministry also you will find a sum of Rs. 4,44,000 has been provided for the permanent staff whereas the sum provided for the temporary staff is Rs. 12,91,000. This is not for this year alone but has been the case for a number of years. These people are not given an incentive to be efficient and to do the job as the country expects them to do.

As time is short, I will come to another branch of the Finance Ministry, the Controller of Insurance Of

course, a very bold step has been taken by acquiring the management of all the insurance companies. These companies are going to be nationalised very soon. Nevertheless, the inefficiency of the Controller is responsible for all the misappropriation and mismanagement of these companies. Had he been active or vigilant and acted as he was required to do, then what happened in all these insurance companies could have been avoided and checked but then this Controller of Insurance was ineffective and inefficient which resulted in mismanagement and misappropriation of the public money by the Directors and Managing Directors of insurance companies. The other day, in reply to a question in this very House, the Finance Minister replied that a Managing Director had run away with an amount of fifteen lakhs of rupees and neither the Finance Ministry nor the Controller of Insurance, nor even the Police department are able to detect the person as to where he has gone with all that money. That is not all. I will cite one more example as to how he was inefficient and ineffective. There was an insurance company which used to pay to one of its managers an amount of Rs. 1500 per month. That manager had the good fortune to secure a position, not a big post but an elective position, under the Government. When he relinquished his employment, he was offered a life pension at the rate of Rs. 3000 a month. While he was on active service he got Rs. 1500 per month whereas on his retirement he was given a life pension of Rs. 3000 per-month and this is the efficiency of the Controller of Insurance. These insurance companies have recently been taken over for management by the Government and the Custodians have been appointed on the recommendation of the Controller of Insurance.

MR. DEPUTY CHAIRMAN: Mr. Mukerjee, the Insurance Bill is coming up later. We are now concerned with the Finance Bill.

SHRI M. C. SHAH: He is anticipating.

SHRI B. K. MUKERJEE: I am only trying to show that the Finance Ministry is inefficient. It expects people to put their heart and soul into work.

SHRI M. C. SHAH: Therefore, the only remedy will be not to support nationalisation.

SHRI B. K. MUKERJEE: You did not care to consult people who really counted. What I am suggesting is that those people who have been appointed as Custodians know nothing about insurance. They are only harassing the staff and harassing those people who used to bring business. Instead of that, instead of the advice of the Controller of Insurance, if you had put better people, people from the field, people who have been working in this field for years together, it would have been better. Though they do not get four or five thousand rupees per month, they are efficient and educated and can run this business in a fair and better manner, far better than the persons now appointed as Custodians.

SHRI M. C. SHAH: Perhaps my hon. friend does not know anything about the appointment of Custodians. All these people have been in the insurance field for a number of years, perhaps thirty or twenty or twenty-five years. I do not think the hon. Member knows about these people and without going into that question, it will not be worthwhile to say that all these Custodians are not fit to act as Custodians.

MR. DEPUTY CHAIRMAN: Anyway, that is beyond the point, Mr. Mukerjee. Come to the Finance Bill.

SHRI B. K. MUKERJEE: I will for the information of the hon. Minister say

MR. DEPUTY CHAIRMAN: You can reserve all these remarks for the Insurance Bill when it comes before the House. Let us have something about the financial proposals.

SHRI B. K. MUKERJEE: This is I regarding the Finance Bill. I object to the payment of fabulous sums.

SHRI M. C. SHAH: It is not there..

SHRI B. K. MUKERJEE: The Finance Ministry is responsible for the payment of fabulous sums to the Custodians.

SHRI M. C. SHAH: The hon. Member does not know that the Custodians are not paid by the Finance Ministry nor even out of the funds of the Government of India. He must know that also.

SHRI B. K. MUKERJEE: I know-probably no less than the hon. Minister about this.

SHRI M. C. SHAH: I am glad; but when he said that fabulous sums were paid by the Finance Ministry to these Custodians, I said that the hon. Member must first acquire the knowledge as to wherefrom the funds come for payment to these Custodians.

SHRI B. K. MUKERJEE: It is commonsense.

SHRI M. C. SHAH: That is lacking-

SHRI B. K. MUKERJEE: The hon. Minister must take the trouble of listening. Members know that the insurance companies have not yet been nationalised. Government has taken over the management of these concerns and the money paid to these people comes from the funds of the companies. Everybody knows that. If the hon. Minister does not know, I am ready to help him in this respect.

SHRI M. C. SHAH: The hon. Member said that these payments come from the Finance Ministry. Mr. Deputy Chairman, you must have heard it also. Whether commonsense is lacking here or there, the Member must be the judge.

MR. DEPUTY CHAIRMAN: Mr. Mukerjee, you made the remark that the Finance Ministry is paying these sums.

SHRI B. K. MUKERJEE: The only thing I should say is that we are step-

pin"? forward and our goal is the achievement of a socialistic pattern of society, and if the Finance Ministers do not change their outlook, it will be a mere utopia and we will never reach anywhere near our goal. Therefore, Sir, we cannot afford to pay Rs. 4,000 and Rs. 5,000 per month to anybody, wherever he is posted or -wherever he is placed.

Now one more subject on which I shall speak. Of course, yesterday some Members were pressing the point that Government should look after those people, old and retired hands of the Government, whom Government is paying pension. If the pension is based on the salaries or emoluments paid to similar incumbents of today, then they are entitled to get more as their pension. That means that the pension fixed at the rate at that time when they retired is not applicable today. Now when you pay a pension to the old and retired people I presume that this money is paid not only in recognition of their past and good service but also in the belief that this should enable them to live comfortably during their retired period, and if we wish them to live and render service to the country by their experience, education and knowledge, we have got to see that these people live comfortably, and Government should not see them starve to death. Therefore I only request the Finance Minister to look into this case and pay them better by which they can live better. This can be done by adding to their told emoluments the dearness allowance, the personal pay, etc. paid to like officers in service today and then calculating their pension. If this is done they will be happy and they will be able to live more comfortably.

Now another point. The Finance Department allots the moneys to the different departments, but in regard to most of the money's when the latter actually want to spend them, again they have to go to the Finance Department. The red-tapism has got to be avoided. They do not care to see whether the department is carrying

out the objects with the money which they spend. Now as an illustration, to enable Mr. Shah to understand, what I want to say is this. Now the day before yesterday, in reply to a question, the Minister for Housing said that they call for tenders when they appoint a contractor. They call for tenders and a man from the Finance Department is deputed to examine those tenders and to accept one of them. The tender is for the P.W.D, but the engineers there are not the authority to accept or reject a tender. A man deputed by the Finance Department is the man who accepts one of the tenders.

SHRI M. C. SHAH: Perhaps he does not know the procedure. Unnecessarily

SHRI B. K. MUKERJEE: YOU try to listen to me, to what I say.

SHRI M. C. SHAH: You say that an official of the Finance Ministry accepts a tender. That is fundamentally wrong. You do not know the procedure.

SHRI B. K. MUKERJEE: I am not speaking so much on the procedure but on the effect of accepting a lowest tender on the workers' amenities. The question* is that the lowest tenderer cannot provide all the amenities to the workers that they will be employing. That was the question raised the day before yesterday. Now, whether the contractor pays the workers properly or not, the Finance Department insists that the lowest tender must be accepted. The department cannot go in for another tender, which is not the lowest, because the Finance Department raises an objection and their officers are really the authorities, there to accept or not to accept a tender. Of course, the Finance Department will be justified if they direct the departments employing contractors not to employ contractors at all. I made the suggestion, while we were discussing the Railway Budget this year, that a national construction corporation should be formed. While the Government had so many corporations, this will be one additional corporation

[Shri B. K. Mukerjee.] which could be entrusted with all the constructions which the Government agencies want to be done. If this construction corporation is formed, the question of lowest tender or highest tender will never arise and that is how we can provide the incentive—and this is required to be done under the present financial position of the country—to enthuse the people to come forward and render all sorts of physical and financial help to execute these Plans.

MR. DEPUTY CHAIRMAN: Your time is up, Mr. Mukerjee.

SHRI B. K. MUKERJEE: One minute please.

MR. DEPUTY CHAIRMAN: You have already had five minutes extra.

SHRI B. K. MUKERJEE: Just one minute, Sir.

I do not know whether the amount provided will still be required for the various Employment Exchanges, as they have been transferred to the State Governments from the 1st of this month. I do not know whether all the amounts have been provided for the running of these departments.

Then, some of our friends yesterday criticised the inefficiency of the P. & T. Department and the Minister while replying, said that telegrams and post card were a losing concern, that is to say, whatever a man pays for a telegram and whatever a man pays for a post card is only a portion of the cost that is actually incurred to deliver the message or the post card to the parties concerned. I do not know why the Finance Minister should not think of increasing the rate of telegrams and post cards and putting a stop to this recurring loss on this account when we can increase them. Now this increase does not mean that you should create more posts of officers and go on paying these highly fat-salaried people, the Secretaries, or Joint Secretaries and others getting Rs. 4,000 and Rs. 5,000 a month, who also get the luxurious travel by air or the luxurious travel by aircondi-

tioned coaches, whereas the people in this country, even the Members of Parliament, cannot have that luxury. Why cannot the Finance Minister pull up these people not to travel by air and not to travel by the air-conditioned coaches? These are the ways in which our finances are misused and I hope the Finance Minister will take note of this that the officers should not be permitted to travel by air by air-conditioned coaches. They must travel with the people of this country if they want to serve the people of the soil.

SHRI M. C. SHAH: Perhaps* bullock-carts would be better.

SHRI B. K. MUKERJEE: Now, I come to the question of this tax evasion. I do not know whether the hon. Minister could give us an accurate figure. He has said about Rs. 30 crores. It may be Rs. 60 crores or it may be Rs. 25 crores. Sir, I say that it is; the inefficiency of the Finance Department that these people should evade paying taxes. This Income-tax Department goes and harasses a man whose total assessment is about Rs. 5,000 or Rs. 10,000 or even Rs. 25,000 but they never go to a man who evades lakhs and lakhs of rupees. They never go to such people. They go to the middle class people and harass them. That is how they show their efficiency and they show their activity. They will never go to a man who tries to evade lakhs and lakhs of rupees. Now, for the information of the hon. Minister I can say that our business people, our industrialists actually take pride in the fact that they have evaded payment of taxes. When they go to their club or go to some party, they say 'I have evaded Rs. 10 lakhs this year'. This is how they.....

SHRI M. C. SHAH: Will the hon. Members oblige us by giving the names of those people who have boasted that they had evaded Rs. 10 lakhs or Rs. 20 lakhs? I promise that immediate enquiries will be made and if it is found correct then they will be taxed. It will be a good to the country

and I would request the hon. Member that he should oblige us by giving us those names which he may have in his possession. That will be more fair to the Government than merely criticising.

SHRI B. K. MUKERJEE: Sir, human memory may be short. I do not know whether within four years a man can forget everything. Four years before Mr. Shah was one of us and now he forgets what he used to hear while he was not on that bench. We were always hearing

MR. DEPUTY CHAIRMAN: Mr. Mukerjee, instead of making these allegations here, you had rather pass on those names to him and he will certainly make enquiries and see that they are taxed. If you have got any reliable information, pass it on to him.

SHRI B. K. MUKERJEE: I have only to say that if they pay more attention to the big people who are.....

MR. DEPUTY CHAIRMAN: You are making definite allegations against certain people that they have evaded paying lakhs and lakhs of rupees and that they are making it known to their friends. What he wants is, instead of making these allegations, you should rather pass on those names to him so that the Government may take the necessary action, if really you have got that information. Hon. Members must take the responsibility for the statements they make here. Otherwise they should not make reckless allegations like that.

SHRI B. K. MUKERJEE: All right, Sir. Something has been said about education. One thing which the Education Ministry can do is when the students enter into the higher secondary stage of their education, each student should be required to state his future occupation, so that the Education Department might be able to plan that particular boy's education according to his aspirations.

Now regarding shipping and inland water transport, much less attention is being paid to them.

MR. DEPUTY CHAIRMAN: You have already taken more time.

SHRI B. K. MUKERJEE: I wish that both the Ministry of Transport and the Ministry of Finance should pay more attention to this vital necessity of our land.

DR. D. H. VARIAVA (Saurashtra): Mr. Deputy Chairman, Sir, I just want to make certain observations about the Finance Bill. I have nothing to say against it. I support the Bill and I support the new taxes which have been levied in this Bill. Though there are certain taxes which are hard on the common people, but as the Finance Minister has mentioned that only 4 per cent, of the population pays income-tax, and therefore other taxes have to be collected from the common people for the benefit of the common people, there is nothing wrong in taxing them reasonably. But I want to mention here that the income-tax machinery should be made more efficient. At present it is admitted that about Rs. 30 crores are being evaded by people who are supposed to pay income-tax. In this respect the Government have made certain provisions in this Bill as a result of which they can re-open cases which are even 30 years old. I personally think there is nothing wrong in it. Even two years ago I made an observation that when it was suspected that a man was evading income-tax even before the charge was framed, his books should be impounded so that they may be in the hands of the income-tax authorities before he can make any changes in his account books. Thus the real thing could be found out. Again there is a practice of keeping two books of account. This should be gone into and private enquiries should be made. Sir, keeping of two books of account should be made a criminal offence. I know that the Government is making all efforts to find out those people who are evading taxes. And as Mr. Parikh has suggested we want to increase the staff for collection and a certain amount of money spent for increasing the staff, I think, would be

[Shri D. H. Variava.] well spent. The Government and the country will benefit from it.

Now, I come to the question of sales tax. Though it is not a Central subject, it has reference to Finance and directions are being given by the Central Government to the States about this sales tax. Sir, firstly, this sales tax should be uniform all over the country. Secondly, the way in which this sales tax is collected is a sort of a pin prick to every person every day, from the highest to the lowest in the country. We just go to a shop and ask for something. The shopkeeper says that it costs Rs. 10 and a tax of five annas is separately charged. Every time while making purchases people actually abuse the Government. They say that in the good old days they never had to pay such a tax. It is always argued that the Government is taking something from the people which was not being done a few years back. I therefore suggest that the sales tax should not be collected in the manner in which it is being done but some method should be devised so that the tax is included in the prices of articles themselves and collected at the source. I have seen many people when they go to a shop telling the shopkeeper, 'do not make out a bill; give me at the price quoted; I am not going to pay sales tax.' Sometimes some small shopkeepers consent to that. Sometimes the articles are not purchased and there are interminable arguments. So all the while the people are reminded of this tax. People who have got to pay income-tax are reminded only once in a year but the common people—nowadays—are reminded of this tax not once but three or four times every day. Whenever they go to the market for purchasing something, the sales tax has to be paid. Secondly, I would say that this sales tax should not be charged on commodities of consumption like wheat, rice, oils etc. as has been done lately in a certain State.

Now, I come to the question of economy in the spending of money. There are many items which I have noticed

in each Department but I do not want to go into all of them. I will say something about the Health Department. There is one thing which is occurring in the budget of the Health Department. It is the expense of about Rs. 99 lakhs for the production of quinine. Cinchona plantation was started in Bengal and in Madras during the last war and Rs. 99 lakhs have been spent on that but the prospect of producing quinine out of that, I think, is very meagre. But at the same time every year Rs. 5

lakhs are provided for just looking after the plantation. The whole idea is that after once extracting the quinine from these plantations, on which Rs. 99 lakhs are already spent—it may be called Rs. 1 crore—and still Rs. 5 lakhs are spent every year and the benefit that we are going to get from it is nil. So, I would suggest that if we have spent Rs. 99 lakhs, now scrap the whole thing and stop spending Rs. 5 lakhs every year on it.

Now, about the public and private sector. I have nothing to say against the public sector and I am not against nationalisation. But at the same time I want to make certain observations that when things are done in the public sector it is my impression—I think it is the intention of the Government that the public sector should be worked on a "no profit no loss" basis. Well, I do not think that that is right and that is the right conclusion that I have arrived at. But whenever we see any report of some public sector industry, we find that there is always a loss. I do not know whether the Sindri Fertilizer Factory is making profit or loss and I would request the Finance Minister to let me know whether they are working at a profit or working at a loss. I must say that in the beginning it is not possible to have profits from an industry. It will take some years. But what is the policy of the Government as to the public sector? Are they going to make profit, because they are going to contract the private sector? Then, you are going to lose

the income-tax that you are getting from the private sector. Now, if we contract the private sector, then this income-tax which you used to get from the private sector, are you going to get from the public sector or not? Because if the public sector is not worked on a profit basis, then there will be a loss in revenue and no matter how much of other taxes you levy on different articles, that won't compensate for this, because, I think, the greatest amount of tax that Government obtains is through the industries, by taxing the industries. And so if the public sector is not worked economically and on a profit basis, I am afraid the revenues will suffer a great deal.

Now, there are many branches in which Government has already taken the step of producing things, just like the fertilizer. And now they are going into the iron and steel industry. How is it that the industries in the hands of the private sector have made huge profits and have also paid taxes to the Government, which, in many respects, enables the Government to run the country? Now, when we run our iron and steel plant, I am sure that it will be run as efficiently as it has been done by the private sector. If it is not so, then not only will we lose the income that we were deriving through taxation from the private sector, but we will lose on capital, if this industry is not run efficiently. So, I am sure that the Finance Minister will let me know if they are going to make as much profit, if not more, as in the private sector. I must concede that in a Welfare State you don't want to make profit in excess of what is necessary, but at the same time iron and steel is such an industry that if it is run efficiently, then a much greater profit will accrue to the Government than what obtains through the private sector by taxation.

Now, there is the question of electricity. Electricity, I think, is the concern of the States. But at the same time we know that many States have allowed their grants,

which are granted by the Central Government, to lapse because of the want of finance. And now there is move that all the electricity concerns should be in the hands of the Government and should be worked through an Electricity Board. Some Boards have been formed in certain States and others are going to be formed. But in this, too, I want to know whether they are making the same profit, or a reasonable profit, which was made by the private companies, or, are they working in loss? Now, take the example of transport. Transport has been nationalised and after the nationalisation we find that there is a huge loss. Now, the Government might say, well we just want to do it for the Welfare State. But at the same time I cannot understand that when this transport was in the hands of private individuals, they were making huge profits. The private industries were making huge profits and were paying a good amount of tax to the Government. How it is that when it comes in the hands of Government they run at a loss? So, in these things, I think, a probe should be made and there should not be the idea that because we are working for a welfare State we should let go the profits. Profits should be made, but it should not be heavy. Even if you make five per cent, on the outlay that Government is making then, I think, the Government coffers will be supplied with amounts which will be quite commensurate with carrying out the Second and the subsequent Five Year Plans.

There are certain other things that I might propose. Now, the raw film is not manufactured in India and we are spending crores of rupees for the importation of films for the cinema industry, for photography and for medical purposes. I think it is the duty of the Production Ministry to take this in hand and if they run this industry on proper lines, there is profit in it. Also, the manufacture of insulin. I think we are importing insulin worth crores of rupees. In the same way, there is the petroleum

[Shri D. H. Variava.] and the coal industry which Government is going to nationalise shortly. In these, too, efficiency must be the prime factor. If these things are not run efficiently, then, I think, the huge profit which the petroleum companies are now making will be lost to us, because petroleum is priced highest in India than in any other country. And if we have got a petroleum company, Government could see that it is run on proper lines and profits are paid into the Government funds.

i Now, I do not want to say anything on insurance, because other Members have spoken on it. But I am sure that there "is an assurance from the Finance Minister that insurance when it comes under Government control will be run more efficiently and that Government will get more funds from the insurance than what it is now getting and also insurance is being extended to the rural area.

Now, there is also the question on which I will request the hon. Finance Minister to enlighten us, that is, the problem of what is called the doing away with the disparity in the standard of living and the disparity in income. Now there is a suggestion that this disparity should not be more than, say, 30 per cent. I think that on the income of high officials they want to put a ceiling of about Rs. 1,500. If this is done, I want to know from the hon. Finance Minister who is going to buy all these new motor cars that we are going to produce. I think that they are going to be priced at least at about Rs. 15,000. When a man earns Rs. 1,500, will he be able to afford a car if this ceiling on income is put? In that case, I am afraid that many people who are in service and in private life will not be able to make use of these cars. Then the problem will arise whether the Government should subsidise these people to buy cars and so on. So, I think that this question must be carefully considered.

MR. DEPUTY CHAIRMAN: Yes. *le* that all?

DR. D. H. VARIAVA: Is the time up, Sir?

MR. DEPUTY CHAIRMAN: The time is over. You have taken five minutes more.

DR. D. H. VARIAVA: I will mention only one or two points. In th* last five years, we spent Rs. 10 crores on the control of malaria throughout India. Now I wish to know how we" are going to reduce the incidence of malaria, because I find—and many people have complained to me—that the mosquitoes have increased and malaria has increased. So, I suggest that statistical bureau should be attached to the Ministry of Health and they should find out whether the money spent on the control of malaria is commensurate with the results achieved and whether it is doing the amount of good work that it is supposed to do.

Well, Sir, as my time is over, I will not talk any more, but I will suggest one more thing that the Finance Department should see that whenever large amounts of money are spent, they are well utilised. There is a suggestion that a committee should be set up to scrutinise the spending of all the departments during the Plan period and I hope that this committee will be set up not only at the Centre but also at the State level and a man from the Centre should be on those Committees to see that the money is spent well.

With these words, I support the Bill.

SHRI P. N. SAPRU (Uttar Pradesh): Mr. Deputy Chairman, Sir, I happen to have a bad voice today and the House will forgive me if I am not able to make myself properly heard.

I wish to make a few remarks on the Finance Bill and in doing so, I do not propose to go into details so far as individual items are concerned. It is possible to take the line that individual items of taxation are very harsh. They are of a staggering

nature and they are, in some respects, you may say, unjust. But you do not solve the problem by saying that. The big question that one has to make up one's mind about is whether it is right and wise and proper that this country should aim at the implementation of the Second Five Year Plan in the period contemplated by the Plan period, that is, five years. If it be our objective that the Second Five Year Plan should be implemented, obviously there will have to be, in order that it is carried through, an all round increase in every type of taxation.

I said the other day that my preference was for direct and not indirect taxation. The hon. Finance Minister quoted from the observations of the Taxation Enquiry Commission and he pointed out that the Commission had visualised taxation which was not limited only to direct taxation, but which included indirect taxation also. Now it was not my view that we should limit ourselves only to direct taxation. I said that my preference was for direct taxation. Where there is a choice between direct taxation and indirect taxation, I choose direct taxation. That is my personal, individual philosophy. But even so far as indirect taxation is concerned, one has to ensure that its incidence is such that it does not fall heavily upon the poor. We know that we have staggering poverty in this country. The poverty of this country is something unimaginable. It has been the subject-matter of comment by almost every thinking foreigner who has visited this country and if you were to tax people in such a way as to lower their standard of living in order that at some future date their children and children's children might prosper, well, you may do it and yet not be able to do anything of substance so far as the children and children's children are concerned. That being so, it is difficult to suggest any alternative means whereby this Plan should be financed. I think that the Plan has to be carried through. We must make up our minds that it should be

I carried through. I think that the I proposals in the Finance Bill will be found on the whole to be not too unreasonable. I will put it negatively. I say 'not too unreasonable' because I do not like a tax on soap. I would like people to make more use of soap in this country and I think it will be good if they were taught to use soap a little more than they do today.

Then, I do not like a tax on cloth—coarse cloth. I think that food, shelter, and clothing are the prime necessities of life and the poor people are scantily clothed in this country. I wish it were possible for them to be better clothed than they are and they should be made to feel joy in feeling, that they are well clothed. I do not like this tax on cloth. Now, Sir, I am not bothered about the tax on motor-spirit. I think, the people who use motor-cars are somehow able to find the ways and means of paying this, tax. But I do think that the question of a tax on kerosene oil needs consideration, and there is the question of sales tax on consumption goods like food grains and salt, about which we look in the old days a definite stand.

Apart from this, Sir, one feature of the Plan which fills one with a little anxiety is that nearly 25 per cent of the deficit is going to be left uncovered. Now this is unorthodox financing. I am not very much in love with orthodox financing. I think it is possible to experiment in finance. And, in any case, there is no reason to assume that the uncovered deficit will give rise to any inflation. I suppose, the population will increase, its standard of living will increase, production will increase, and all that will have a stabilising effect, on prices.

Then, Sir, there is another point with regard to foreign aid. Now, we are expecting foreign aid to the extent of about Rs. 800 crores. I am not very good at figures. As a matter of fact, I cannot ordinarily remember any figures. But, I think, we are expecting about Rs. 800 crores of foreign aid—Well, we do not know what the atti-

[Shri P. N. Sapru.] tude of certain countries will be. But we are not going to change our foreign policy or modify our foreign policy in order that we might be able to get foreign aid. We are not opposed to foreign aid, provided we get it on terms consistent with the interests of our country and consistent with the self-respect of this country. But we may be certain, as the Finance Minister said the other day, that we shall get about Rs. 400 crores of foreign aid. We shall get some aid under the Colombo Plan, we shall get some aid from the International Monetary Fund, and we might probably get some aid from Canada, and I suppose we might count on some aid from the U.S.A., the Ford Foundation and Congressional discussions notwithstanding. But I think, our effort should be to make ourselves more and more self-reliant. Perhaps it is inevitable that we should think in terms of foreign aid, but this foreign aid can, if carried too far have adverse results. Therefore, we should learn to be self-reliant.

Reference was made by Dr. Mookerje, in his very learned speech, to the economic progress of Western Germany, and he thought that Western Germany, had been able to progress rapidly, had been able to make very considerable advances after the War in her industrial development, as the taxation there was comparatively low and industry had been left in the hands of private enterprise. Well, India is not Western Germany, and that fact, I think, Dr. Mookerji absolutely forgot. Private enterprise has not played its part in this country. The old school of Gladstonian Liberals used to think that if you were to leave money in the hands of the people, well, they would make use of it, and therefore the taxes be low. But things are changing, the entire world is changing. The Indian people are not the German people. And in the next few years, the State in this country will have to play a more important part than it did before. Intervention by the State has

come to stay in this country, and one need not regret the fact that it has come to stay permanently in this country. The amazing thing about it is the way in which, without much discussion, we all have accepted, in some way or other, the socialistic concept of economic organisation. Mr. Deputy Chairman, while, therefore, it is right and proper that the public sector should play an increasing role in our national life, it is also important that we should ensure by good administration that the public sector is worked to the maximum benefit of the people of this country. In life, not only the enunciation of fundamental principles, but also the way they are actually implemented is important. We may have the most excellent plans, and yet those plans may fail, because the way in which you implement them is not good enough. It is, therefore, necessary to attach the highest importance to efficiency in our industrial organisation, and it is necessary for us to ensure the highest degree of efficiency in the carrying out of State enterprises. If there is something wrong happening in a State enterprise, you immediately get a comment in the press saying, "Oh, after all, the Government is managing this concern, and everything seems to have gone wrong with the Government management." One never cares to enquire about the large numbers of mushroom companies—I think the new company law has made the position a little better—which go into liquidation and which cheat the poor man. But one wrong does not make another wrong right, and therefore, it is necessary for us to ensure that our State industries are worked by men of capacity, of integrity, of character, of knowledge, and of skill, and there should be no nepotism in making appointments and giving promotions. I am wondering, Sir, whether it is not time for us to think in terms of an Economic Administrative Service, a Service for our economic enterprises. We have to think somewhat along new lines. In the olden days, the civil servant was good in his own way. He

had a liberal education. He had an education in classics or in mathematics, which was very useful in those days. These are days of specialisation and what we want today is a more specialised type of service for running the economic machinery of our State.

MR. DEPUTY CHAIRMAN: I fear that I have transgressed the time-limit, and I will not therefore weary you with any further remarks. Thank you.

श्रीमती कृष्णा कुमारी (बिन्ध्य प्रदेश) :

उपसभापति महोदय, सन् १९५६ का वित्त-बिल जो हमारे सदन में पेश हुआ है, उस के लिये वित्त मंत्री महोदय धन्यवाद के पात्र हैं।

मैं अपने ग्रामीण भाइयों और बहनों की तरफ से इस सभा-भवन में कुछ कहने के लिये खड़ी हुई हूँ। धन्यवाद देने के साथ ही मैं वित्त मंत्री का ध्यान इस ओर आकर्षित करती हूँ कि कर-भार से हमारे सौभाग्य चिन्ह भी अछूते नहीं बचे। भारतवर्ष में स्त्रियों के सौभाग्य के दो चिन्ह हैं, एक तो सिन्दूर और दूसरा चूड़ी। हमारे मंत्री महोदय ने इन पर भी कर लगा दिया है। ग्रामीण जो कि हमारे भाई हैं, उन की दशा कैसी शोचनीय चल रही है? शहरों में रहने वाले नहीं समझ पाते, कल्पना भी नहीं कर सकते कि उन के ऊपर क्या बातें बीतती हैं, क्या नहीं।

हमारा भारतवर्ष कृषि प्रधान देश है। ग्रामों में कृषि ही से हर एक काम चलता है। करीबन पांच महीने अपने अनवरत परिश्रम से वहाँ के लोग जो अनाज पैदा करते हैं, उसी से वे भूमि-कर देते हैं और उसी से अपने बच्चों का लालन-पालन और शिक्षा-दीक्षा का प्रबन्ध करते हैं। उन के ऊपर यह जो नये करों का भार डाला जाता है, उस से उन की हालत बहुत ही दयनीय हो गई है। हमारा भारतवर्ष जब आज़ाद हुआ, तब से

वह मशीनरी का एक देश बन गया है। हर एक कृषक को इस बात के लिये प्रोत्साहन दिया जाता है कि मशीनों से काम करने में गल्ले की उत्पत्ति ज्यादा होगी और उस से वे अपने लिये बहुत कुछ साधन इकट्ठा कर सकेंगे। पर अगर उस का लेखा जोखा लगाया जाये तो मैं नहीं समझ पाती कि वह कैसे उन के लिये मुफीद है। जो हल-बैल से खेती करते हैं उस से कम से कम दुगना तो जरूर ही ट्रैक्टर पर खर्च होता था और खर्च होता है। आज जबकि डीजल आयल और जहाँ तक कि सब तेलों के साथ मिट्टी के तेल पर कर लगा दिया गया है, तब ग्रामीणों की क्या हालत होगी? वहाँ पर आप जा कर देखें तो आप को मालूम होगा कि वे फूस के झोंपड़ों में रहते हैं। जब तेल पर कर नहीं लगा था तब भी देखने में आता था कि बहुत से झोंपड़ों में दीपक नहीं जलते थे, चिराग नहीं जलते थे। आज इस कर के भार से वहाँ वे अपने झोंपड़ों में अंधेरे में संकटेइया, जोकि हिन्दुस्तान में लगभग हर गांव में होती है, जला कर अपना काम करते हैं। इस का फल क्या होता है? इस की चिगारी से फूस के झोंपड़ों में आग लग जाती है और उस से गांव के गांव नष्ट-भ्रष्ट हो जाते हैं। इसलिये मैं यह चाहती हूँ कि जो कर लगाये गये हैं उन पर फिर विचार किया जाये। कहीं ये कर हमारे ग्रामीण भाइयों के लिये, गरीबों के लिये इतना भार न हो जाये कि वे इन को सहन ही न कर सकें।

हमारे वित्त मंत्री महोदय का जितना खयाल शहरों की तरफ है, उतना गांवों की तरफ नहीं है। ग्रामीण बिल्कुल असहाय अवस्था में रहते हैं। यदि वे बीमार पड़ते हैं, तो उन के लिये मामूली से मामूली दवा का प्रबन्ध नहीं होता है। इस के लिये वहाँ पर आज तक कोई खास इन्तजाम नहीं है। शायद सरकार यह समझती है कि गांव वाले बहुत कम बीमार पड़ते हैं, क्योंकि

[श्रीमती कृष्णा कुमारी]

गांवों में मेहनत-मजदूरी करने वाले ज्यादा लोग रहते हैं। पर यह देखने की बात है कि आज ८५ प्रतिशत भारतीय गांवों में रहते हैं, फिर भी आप वहां बीस बीस मील चले जाइये, न कोई डाक्टर मिलता है, न कोई बैद्य मिलता है और न कोई हुकीम मिलता है; यद्यपि पहली पंचवर्षीय योजना का कार्यक्रम स्वतः होने को आ गया है। दूसरी पंचवर्षीय योजना में भी मुझे कोई उल्लेखनीय कार्यक्रम दिखाई नहीं पड़ रहा है जिस से आगे के लिये संतोषजनक सांस ली जाय। वहां पर जब आदमी बीमार पड़ता है तो ईश्वर के भरोसे छोड़ दिया जाता है। भूत-प्रेत और झाड़ू-फूंक में विश्वास होने के कारण उन की दशा और भी दयनीय हो जाती है। हमारे यहां करोड़ों रुपया एलोपैथिक पर खर्च किया जाता है। यदि उस का चौथांश या आठवांश भी हमारी देशी चिकित्सा-पद्धति पर व्यय किया जाय, तो हमारे गांवों की दशा उतनी भयानक न हो जितनी कि आज देखने को मिलती है। वहां अगर किसी को बात की शिकायत होती है तो उस की दशा देख कर आप त्राहि त्राहि करेंगे। जो लोहे का हंसिया होता है, उसी को वे आग में गरम कर के उस से जीवित आदमी को दागते हैं क्योंकि उन के पास कोई साधन नहीं है, उन के पास इतना पंसा नहीं है कि वे नगरों में जा कर अपनी दवा करा सकें। प्रथम पंचवर्षीय योजना में यहां तक भी नहीं किया गया है कि प्राइमरी स्कूलों में टिचर ही रख दिया जाये। खेल में जब बच्चों के चोट लगती है तो वे टिचर की जगह मिट्टी का तेल इस्तेमाल करते हैं। इस से आप सोचिये कि गांवों का उत्थान कितनी तेजी से हो रहा है।

यही हालत मैं स्त्री समाज की देख रही हूँ। उस के लिये भी कोई ठोस क्रदम नहीं उठाया गया है। स्त्रियों के अक्षर ज्ञान के लिये न कोई पाठशाला का प्रबन्ध किया

गया है और न उनको दस्तकारी की शिक्षा देने के सम्बन्ध में कोई व्यवस्था की गई है। जब तक स्त्रियां शिक्षित नहीं होंगी और वे अपने पैरों पर खड़ी नहीं हो सकेंगी तब तक आने वाली संतानें कैसे शिक्षित, योग्य और स्वावलम्बी हो सकती हैं। जिस पेड़ की जड़ कमजोर होगी वह कैसे फले फलेगा यह सोचने की बात है। यह हमारे भारत के लिये एक गम्भीर व विचारणीय प्रश्न है। मैं वित्त मंत्री महोदय से यही निवेदन करूंगी कि कर का भार हमारे सोहाग चिन्हों पर से हटा लिया जाये। यदि धन की आवश्यकता ही हो तो क्रिम, पाउडर, लिपस्टिक और सिनेमा पर कर बढ़ा कर के चूड़ी पर से कर हटाया जा सकता है। वे चाहें तो तेलों पर भी कर-भार कम कर सकते हैं क्योंकि उन के पास बहुत से साधन हैं। मेरे पास समय को कमी है, इसलिये पूरा व्यौरा न दे कर मैं केवल इतना ही कहूंगी कि अगर वे चाहें तो जो कर-भार तेलों पर बढ़ा है, उसे वे कम कर के बेचारे गरीब कृषकों को और देहात वालों को सहूलियत पहुंचा सकते हैं।

यह देखना चाहिये कि साल भर में किसानों की क्या आमदनी होती है। यदि ग्रामवासियों की आमदनी को देख कर के उस के मुताबिक कर लगाया जाय तो शायद उन्हें इतना भार वहन करने की जरूरत न पड़े। मुझे यह देख कर ताज्जुब होता है कि जिस घर में ५० आदमी हैं वे अपनी गाड़ी कमाई के अन्न को कर-रूप में दे देते हैं और स्वयं केवल एक वक्त ही सूखी रोटियां खा पाते हैं। वही रुपया जोकि हमारे यहां टैक्स के रूप में आता है उस को अगर छोटे ग्राम उद्योगों पर खर्च करें तो उस से हमारे ग्रामीण भाइयों को बहुत कुछ फायदा पहुंच सकता है।

गांवों के सुधार के लिये यह सब से जरूरी है कि हम गांव के लोगों से मिलें, उन के सहवास में रहें और उन की कठिनाइयों

का अनुभव करें। कुछ चीजें ऐसी होती हैं जिन को कि आदमी कल्पना से, अनुमान से, स्वीकार कर सकता है, मान सकता है, परन्तु आदमियों का जो रहन-सहन है वह तो उस के पड़ोस में बसने से ही ज्ञात होता है। हमारे मिनिस्ट्रान दौरे पर जाते हैं लेकिन यह नहीं कहा जा सकता है कि वे किसी ग्रामीण के साथ बैठ कर कुछ देर बातें कर के उस को कुछ तसल्ली दे सकते हैं। उन के जो बाडीगार्ड और नीकर पेशा लोग हैं, वे उन को इस तरह से चारों तरफ से घेरे रहते हैं जैसे कि वे हम से बहुत दूर के हों और वे हमारे कोई हैं ही नहीं। ग्रामवासी उन तक पहुंच ही नहीं पाते हैं। ऐसी हालत में वे हमारे दुख-दर्द को कितना ज्ञान सकते हैं। अभी भी वही गुलामी की हालत की है या जो कुछ कहिये वही ही हालत है जैसी कि जब कि भारत आजाद हुआ था और जबकि कंट्रोल था उस समय थी। उस समय लोगों को मिट्टी का तेल नहीं मिला, कपड़ा नहीं मिला। सन् १९५७ का आम चुनाव सामने है और लोग इस बात को सामने ला कर रखते हैं कि भाई हम लोग उस दिन के लिये तरस रहे थे कि हमारा भारतवर्ष आजाद हो लेकिन जब आप को आजादी मिल गई है तब भी कपड़ा नहीं मिला है, मिट्टी का तेल नहीं मिला है। उस वक्त कपड़ा नहीं मिला और बगैर कफ़न के मुर्दे जलाये गये। आज फिर वही कर स्वरूप उन के सिर पर लादा जा रहा है। इसलिये मैं यह विनती करूंगी कि भविष्य के लिये ऐसा रास्ता साफ किया जाय जिस से कि ऐसी कोई कठिनाई हम लोगों के सामने नहीं ही आवे, जिस के कि आने की संभावना अतीत हो रही है।

महिलाओं की उन्नति के लिये भारत-वर्ष में कुछ जगहों पर समाज कल्याण केन्द्र चल रहे हैं। करीब करीब हर एक प्रदेश में ये चल रहे हैं परन्तु उस की भी एक ऐसी

सीमा बंधी हुई है कि मधुमक्खी को तरह वे नगरों के चारों ओर ही चल सकते हैं उन से दूर पर नहीं। नाम तो उन का समाज-कल्याण केन्द्र है परन्तु वे नगर केन्द्र। वे अमीर केन्द्र बन रहे हैं। यदि कोई गांव १० मील या ५ मील की दूरी पर नगर से है और वहां यह चाहें कि यहां की जो महिलायें हैं, जिन का कि भारतवर्ष में इतना पतन हो रहा है, उन के लिये शिक्षा का प्रबन्ध कर दिया जाय, उन को अक्षरज्ञान करा दिया जाय और वहां यह केन्द्र हो जाय तो वहां उस को खोलने का अधिकार नहीं है क्योंकि वे केन्द्र शहर की बाउंडरी के चारों ओर ही चल सकते हैं। हमारे शिक्षा मंत्रालय की ओर से स्त्री शिक्षा के लिये कोई भी आगे कदम नहीं उठाया जा रहा है। एजुकेशन मिनिस्ट्री की ओर से स्त्री शिक्षा के लिये कोई ठोस कदम नहीं उठाया गया है, यहां तक कि अगर स्त्री शिक्षा के लिये कहीं बालिका पाठशालायें खोली भी गई हैं तो वहां पर बुनाई और सिलाई का कोई भी इंतजाम नहीं है। यहां तक कि देहातों की लड़कियां सयानी हैं या छोटी हैं, जो कि रास्ता भी भूल सकती हैं, तो इन्हें स्कूल तक ले जाने और वहां से घर तक पहुंचाने के लिये अगर दाइयां रखना चाहें तो उस की मंजूरी नहीं हो सकती है। समझ में नहीं आता है कि एक तरफ तो हमारी इतनी बड़ी बड़ी योजनायें हैं और दूसरी तरफ हमारी शिक्षा का यह हाल है। इस-लिये मैं कहूंगी कि हमारे मंत्री महोदय को इस ओर विशेष ध्यान देना चाहिये। जहां तक महिलाओं का सम्बन्ध है उन के लिये हर एक विभाग को, शिक्षा विभाग को, अर्थ विभाग को, सब को चाहिये कि उस ओर विशेष ध्यान दें क्योंकि हमारे भारतवर्ष की महिलायें अभी बहुत पिछड़ी हुई हैं और जब तक ये योग्य नहीं बनती, ये अपने पैरों पर खड़ी होने लायक नहीं होतीं, तब तक हमारे भारतवर्ष का सौभाग्य सितारा चमक नहीं सकता है। मेरी विनती है कि उन

[श्रीमती कृष्णा कुमारी]

की ओर विशेष ध्यान दें, चाहे जिस पार्टी के हों, चाहे जिस संस्था के हों, हम सब को चाहिये कि अपनी स्त्रियों, बहनों और बच्चियों को शिक्षा की ओर लगायें।

उपसभापति महोदय, हमारे इस सदन में बहुत से ऐसे सदस्य हैं जोकि हिन्दी बोल सकते हैं लेकिन वे नहीं बोलते हैं। हिन्दी हमारी राष्ट्रभाषा मानी गई है परन्तु मैं देखती हूँ कि हिन्दी बोलने वाले भी हिन्दी न बोल कर दूसरों की भाषा को अपनाते हैं। कुछ भी हो मातृभाषा हिन्दी अपने लिये प्रिय होनी चाहिये, इस के प्रयोग से हम बाहर भी सम्मान के भागी बनते हैं और अपने यहां भी सम्मानित होते हैं। अगर हम लोग ही हिन्दी भाषा को इस ढंग से छोड़ेंगे तो फिर दूसरों से कैसे कह सकते हैं कि वे इसे सीखें और इसे अपनायें। कुछ ऐसे प्रदेश हैं जैसेकि ट्रावनकोर-कोचीन वगैरह, वहां के लोग हिन्दी नहीं बोल सकते हैं तो उन के लिये मैं यह नहीं कहती कि उन के ऊपर यह भारस्वरूप लादी जाय, परन्तु जैसे जैसे हिन्दी का प्रचार होता है, लोग हिन्दी में बोलते हैं और बातें करते हैं वैसे ही उन लोगों को भी इच्छा हिन्दी सीखने की और बात करने की बढ़ेगी। किसी काम को शुरू करने के पहले अनेक कठिनाइयां, बिघ्न बाधाएँ हमारे सामने उपस्थित होती हैं परन्तु जिस चीज को हमें आगे बढ़ाना है उस के लिये हमें दृढ़ता से कदम बढ़ाना चाहिये और हमारा कदम वही होना चाहिये जिस से कि वह चीज आगे बढ़े और फले-फूले।

बहुत से बीज ऐसे होते हैं जो एक बार बोने से नहीं उगते, उन को हम फिर बोते हैं और वे थोड़ा सा उग आते हैं, उस के बाद फिर बोते हैं और वे और आगे उग आते हैं, इस तरह से क्रम चलता है। इस ढंग से अगर हम काम में लगे रहेंगे तो एक न एक दिन वह अवश्य फूले-फलेगा। हमें चाहिये कि हिन्दी की ओर विशेष ध्यान दिया जाय

और हमारे सदन से भी जितने कागजात निकलते हैं, उन की तरफ मैं सभापति महोदय का ध्यान आकर्षित करूंगी कि उन के लिये वे आज्ञा प्रदान कर दें कि हिन्दी में भी निकाले जायें। हो सकता है कि अंगरेजों को हिन्दी बनाने में कुछ कठिनाई होती हो, पर अगर वह धीरे धीरे शुरू कर दी जायेगी तो शुरू में कोई शब्द टूटे फूटे भी हो जायें पर बाद में सुधर जायेंगे। हिन्दी के लिये १५ वर्ष की अवधि रखी गई है। उस को एक दम से सीख लेना कोई ऐसी चीज नहीं है जोकि धोल कर पिला दी जाय, वह तो धीरे धीरे चलाने के साथ ही हम लोगों के समक्ष आयेंगी। राज्य पुनर्गठन के प्रश्न की तरह हमें हिन्दी के प्रश्न को भी सुलझाना पड़े। इसलिये हिन्दी को चलाना और हिन्दी को अपनाना हम सब सदस्यों के लिये बहुत ही आवश्यक है।

उपसभापति महोदय : आप ने ज्यादा टाइम ले लिया है।

श्रीमती कृष्णा कुमारी : अच्छा, मैं समाप्त करती हूँ।

SHRI H. P. SAKSENA (Uttar Pradesh) : Sir, my hon. friend the Minister for Revenue and Civil Expenditure made a remark yesterday that I had missed the bus. I may remind him that I go to a bus station or a railway station much ahead of the time and therefore, there is never any danger of my missing the bus.

SHRI M. C. SHAH: Being an old man.

THE DEPUTY MINISTER FOR PRODUCTION (SHRI SATISH CHANDRA): The Minister for Revenue and Civil Expenditure does the same.

SHRI H. P. SAKSENA: I would hazard a suggestion that so far as his great Department of Finance is concerned, in future, he should prepare his budget proposals which include both the revenue side and the expenditure side in accordance with the well known proverb of cutting the coat according to the cloth. He never does that. He prepares the expenditure side first and then tries to

cover that expenditure by imposing all manner of taxes, good, bad and indifferent. That does not befit a Socialist State, a Welfare State, of which he reminded us so often. Sir, he did me another injustice yesterday, by saying that I was recommending the abolition of the privy purses which I was not. I had only suggested that it was time that the privy purses that we were paying to the princes should be revised. Revision was the word that I used and revision is not abolition. The hon. Minister argued also about the sacrifices that the princes had made, in surrendering their States to the common Indian Republic. In that case we should also thank the British people and the British Government for having surrendered the country, the whole of it and for having gone back to their island kingdom. If these thanks are to be offered, then I am reminded of the millions upon millions of people, both dead and alive, who rendered all manner of sacrifices for bringing about the independence which the whole of the country is today enjoying. My hon. friend was niggardly in not mentioning a word of gratitude to those friends who have sacrificed their all.

SHRI M. C. SHAH: I am one of -them. How can I thank myself?

SHRI H. P. SAKSENA: Well, I do not want my hon. friend to be thanking himself.

SHRI M. C. SHAH: But I am one of them.

SHRI H. P. SAKSENA: For this purpose he could have excluded himself from the list.

Sir, I would invite my hon. friend to make a trip and go round for a few minutes outside the city of Bombay, outside Ahmedabad, and to have a glimpse of poverty, squalor, hunger, want, disease, illiteracy and unemployment, in order to get a picture of the way of life of the poor people who are all—and none is exempted—affected by this heavy taxation.

28 R.S.D.—3

[THE VICE-CHAIRMAN (SHRI P. S. RAJAGOPAL NAIDU) in the Chair]

I still call it heavy and yet I do not yield to any one in my desire, in my burning desire for the implementation of the Second Five Year Plan for which everybody knows huge sums of money and resources are needed. But there are other ways of getting the money and those other ways, I submit, have not been properly explored and the axe is applied only on the vulnerable points of the body politic and not on those bodies that are fat enough and strong enough to suffer the wounds of the axe. I do not grudge the imposition of taxes on those who have got the capacity to pay them. But I cannot support the idea of my hon. friend the Minister for Revenue and Civil Expenditure snatching the morsel of food from the mouth of a poor child who has got that morsel of food after two or three days of starvation. Things are coming to that and I warn my friends of the administration to be very watchful and cautious about the consequences that lie in store for us all to bear. Unity, our Prime Minister insists, should be our watchword. I say, security and unity both should be our watchwords; and there are means and means by which security can be maintained. It will not descend from the sky, it will have to be built up by ourselves.

I find it very very difficult to reconcile myself to the imposition of any taxes, whether they be at the State level or at the level of the Centre, on food grains, coarse cloth, kerosene oil, washing soap which is meant exclusively and purely for only the poorest among the poor.

Yet, we all advise them to keep clean, day in and day out, to live in hygienic conditions and to lead a clean and tidy life. Now, Sir, soap is as great a necessity as cloth and the food that we eat. Even the poor, in order to save a few annas that they will have to pay to the laundry or the washerman, wash their own clothes, at our own instance, according to

(Shri H. P. Saksena.) our own advice to keep themselves clean by means of that soap and yet soap is being taxed at so many points that it becomes rather impossible for a poor man to spend even a few pias on the purchase of soap. Then, last but not the least is the tax on salt with which a long history, a pious sentiment and the memorable ev-nt of ib* Dandi march is associated. For me, it would be worse than death to subscribe to and to vote for the imposition of any tax on salt at any stage whatsoever. So long as I am here, I shall not vote for a salt tax even if it be against the discipline of the party to which I belong. Whenever our Government does a little good job of work, we are all praise for it; we even praise the Government when it does not do that good work because we are confident that it will be a calamity of the first magnitude if this Government is, somehow or other, replaced by any other Government. Why? Not that we are fond of power of which we are accused every hour—we are not fond of power—but we are realistic people and we know that no other group, no other party is capable or strong enough to solve the problems, the very complicated and complex problems of this great country. We have been trained under tutelage of Mahatma Gandhi and we know how to sacrifice, how to work hard and how to administer things. We have got some little experience of administration also and we have trained young men as our second line of defence and I find it in the person of my hon. friend, Shri Satish Chandra. Therefore, all these things taken together, testify to our capacity to imagine and understand the future of the country in its true perspective.

It was only the other day that our worthy Chairman reminded us that we sometimes talk on nothing. I hope I am not talking on nothing; I am talking on fundamentals and I am, every moment of my speech, conscious of the fact that the Appropriation Bill which we finished yesterday was a Bill for expenditure and this Finance Bill is a series of tax measures and

proposals and that this reflects the taxation policy of the Government of India from which all consequences flow and follow until at last we come to the way in which this huge amount of tax that we collect will be spent. Personally I am confident that every penny that we collect from the tax payer to whom we are answerable is properly spent and adequately accounted for. The Five Year Plan, as I understand it, is intended to enthrone every citizen of India to live with economy, to save some of his money and to invest it in the Plan pool, to be motivated by the feelings of patriotism and to make the Plan a success within the scheduled time of five years. With this background all our hopes are bound up with the Plan. Let us all make a Herculean effort, make untold sacrifices and take every possible step in order to implement the Plan, but pray do not sacrifice us at the altar of the Plan. If we are gone, if the country is devastated and ruined, if people die of hunger and starvation, who is to foot the bill of the Plan? So, with this little reservation, I am at one with those who want the Plan to be implemented and to be made a complete success. You will remember that during our struggle for freedom, we had only one idea working behind our minds and that was contained in the couplet which I am just now reciting:

मिट्टा दे अपनी हस्ती को
अगर कुछ मर्तवा चाहे
कि दाना खाक में मिलकर
गुले गुलजार होता है ।

We worked with this idea in our struggle for freedom. We are going to repeat it in order to make the Plan, which is nothing but a blueprint for the coming prosperity of the people of India, a success but it becomes all the more necessary that those who are ready to sacrifice their aliter the implementation of the Plan must be permitted to live, if not comfortably and luxuriously, but at least a life which is life and not only existence. I make a difference between living and existing. At present the-

majority of our people only exist; they do not live. Now, I want them to be permitted to live so that life should not be a burden.

THE VICE-CHAIRMAN (SHRI P. S. RAJAGOPAL NAIDU) : You have two minutes more, Mr. Saksena.

SHRI H. P. SAKSENA: Just two minutes only? Then I will deal with only two or three things at the rate of one minute each.

We are, in this Parliament, political animals and we are always having the coming General Elections before our minds' eye. We cannot lose sight of that great event that is going to happen and we mean to win the elections with a thumping majority no matter what party opposes our candidates. But then, the background for that success and victory at the polls must be prepared by us. It is not a proper thing for any State to be taxing kerosene, salt, coarse cloth and food grains even. That will spell disaster; that may ruin our chances of success which are very bright. Now, it is so easy, Sir, to nod one's head in dissent, but it is very difficult to meet the music of the elections. The rising prices are a constant sore and the middle-class people and the poor people find it very difficult to meet the two ends of their daily budget. We should have regard for them. I would like the hon. the Finance Minister to be a little more humane and to have before him the condition of the poor people, who have got nothing else to look to but the Government under which they live. So we cannot afford to forget them, we cannot afford to neglect them.

Now the Second Five Year Plan is based on the industrialisation of the country and industries alone can bring us money. We are all agreed on that point, but then, industries take time to materialise and the time at our disposal is very short. Even this short time can be lengthened a little bit. For instance, this Five Year Plan can very well be extended by one year

and instead of five years we can implement it in six years. It will not make much difference, because the First Five Year Plan is there; most of the things have been completed, and others we can start in fewer numbers. That won't make much difference, but the country will be saved; the common man will be saved, and the hungry man will be given a morsel of food.

One point more and I shall resume my seat. I emphatically repudiate the suggestion made by my hon. friend, Mr. Mahanty, advocating the use of liquor and opposing the idea of prohibition. That is again a matter to which I shall never subscribe. Let Mr. Mahanty be fond of his champagne or anything like that. But then, I strongly repudiate that idea and I hope nobody in this House and nobody in the Government will ever support it and that, in due course, in the very near future, prohibition will be the established policy of the Government of India throughout the country.

With these words, Sir, I support the Finance Bill because I find myself in a very helpless position, in such a helpless position in which I never found myself previously, that I cannot change even a comma or even a full stop of this huge volume of the taxation proposals.

श्री आर० पी० दामदा (उत्तर प्रदेश) :

उपसभापति महोदय, इस बिल को इंकम टैक्स अमेंडमेंट बिल कहा जाय या फाइनेंस बिल कहा जाय, मैं ठीक तरह पर नहीं समझ पाया हूँ क्योंकि इस बिल को देखने से मालूम होगा कि इस में इंकम टैक्स ऐक्ट की एक नहीं बल्कि २६ दफाओं में संशोधन किया गया है और ये अमेंडमेंट कोई मामूली अमेंडमेंट नहीं है बल्कि इन में बड़े अहम और महत्वपूर्ण अमेंडमेंट किये गये हैं। मैं मिसाल के तौर पर सदन के सामने सिर्फ दो तीन सेक्शन बताऊंगा।

पहला क्लाज १८ है। क्लाज १८ में जो अमेंडमेंट किया गया है उस के जरिये

[श्री आर० पी० टामटा]

इन्कम टैक्स आफिसर को यह अस्तिथार दिया गया है कि वह किसी असेसी से, जिस पर इन्कम टैक्स नहीं लगा है, इन्कम टैक्स लगाने से छूट गया है या किसी गलती से कम इन्कम टैक्स लगा है, सन् १९४१ तक का हिसाब तलब कर सकता है। इस तरह आज सन् १९५६ में हम एक कानून बनायें और उस में इन्कम टैक्स आफिसर को यह अस्तिथार दें कि वह १५ साल पुराना हिसाब किसी व्यापारी से मांगें, मैं समझता हूँ कि यह बड़ी ज्यादाती है। जहाँ तक व्यापारियों का ताल्लुक है, शायद ही कोई व्यापारी ऐसा होगा जो १५ साल पुराना हिसाब किताब रखता होगा। जब इस तरह का कोई नोटिस किसी व्यापारी के पास जायेगा और उस से हिसाब तलब किया जायेगा तो नतीजा यह होगा कि जब वह व्यापारी आयेगा और ठीक तरह से इन्कम टैक्स आफिसर की तसल्ली नहीं कर सकेगा, हिसाब ठीक तौर से समझा नहीं सकेगा तो उस पर मनमाना टैक्स लगाया जा सकता है। मैं समझता हूँ कि यह एक बड़ी कठिन बात होगी किसी व्यापारी के लिये। अगर उस ने इन्कम टैक्स नहीं दिया या इन्कम टैक्स से छूट गया तो इस की ज़िम्मेदारी मैं समझता हूँ कि डिपार्टमेंट की भी है। डिपार्टमेंट का भी यह फ़र्ज हो जाता है कि वह देखे कि असेसी जो इन्कम टैक्स देने वाला है वह इन्कम टैक्स दे सकता है या नहीं। अगर उस से पुराना हिसाब लेना ही है तो कम से कम जो उस को सेक्शन १८ के मातहत नोटिस दिया जायगा, उस नोटिस की अपील करने के लिये उस में व्यवस्था होनी चाहिये ताकि वह हायर अथॉरिटीज या अपीलेट कमिशनर को जा कर इस बात को बताये कि उस के पास पुराना हिसाब नहीं है या उस पर यह हिसाब तलब नहीं किया जाना चाहिये।

दूसरा क्लॉज २० है। क्लॉज २० में इन्कम टैक्स आफिसर को कोड आफ सिविल प्रोसीजर की जो ताकत दी गई है जिन के

अनुसार वह गवाहों को तलब कर सकेगा, कागजात मंगवा सकेगा और किसी आदमी को हाज़िर होने के लिये मजबूर कर सकेगा। इतना ही नहीं है कि उस को यही ताकत दी गई है बल्कि उस को सर्व और सोज करने, तलाशी और ज़ब्ती को भी ताकत दी गई है जिस से वह कहीं भी जा कर तलाशी कर सकता है और कागजात वगैरह को ज़ब्त भी कर सकता है।

इसी तरह क्लॉज २८ है। हम आज यह कानून बना रहे हैं मगर क्लॉज २८ में यह कहा गया है कि :

"The amendments made in the Income-tax Act by section 4 and clause (b) of section 15 shall be deemed to have come into force on the 1st day of April, 1955, and the amendments made by sections 3 to 27 inclusive shall come into force on the 1st day of April, 1956."

यानी हम यह कानून बना रहे हैं आज, लेकिन यह कहते हैं कि यह समझा जाय कि यह कानून सन् १९५५ का बना है। मेरा यह निवेदन है कि अगर इस तरह के अमेंडमेंट की ज़रूरत थी तो बेहतर होता कि अलग से इन्कम टैक्स अमेंडिंग बिल लाया जाता और इस सदन को और दूसरे सदन को यह मौका दिया जाता कि उस पर विचार करें। इस तरह विचार करने के बाद ऐसे अमेंडिंग बिल को पास होना चाहिये था। फाइनेंस बिल में इस तरह की महत्वपूर्ण बातें लाना और इन्कम टैक्स की इतनी धाराओं को एक दम से बदल देना, मैं समझता हूँ कि एक ग़ैर मुनासिब बात है।

दूसरी बात मुझे सरकार की टैक्सेशन पालिसी के बारे में कहनी है। मैं जानता हूँ कि हमारा राज्य एक कल्याणकारी राज्य है और एक वेलफेयर स्टेट का जो बजट होता है, जो खर्चा होता है वह हर साल बढ़ता हो रहता है क्योंकि कल्याणकारी काम करने के लिये रुपये की ज़रूरत होती है जोकि लोगों से टैक्स वगैरह के रूप में बसूल होता है।

मैं यह भी जानता हूँ कि हम द्वितीय पंच-वर्षीय योजना बनाने जा रहे हैं, जिसमें ४८ सौ करोड़ रुपया खर्च होगा। इस के लिये यह भी कहा गया है कि टैक्स वगैरह से आठ सौ करोड़ रुपया वसूल किया जावेगा। मैं देखता हूँ कि इस समय उस योजना को कार्यान्वित करने के लिये केन्द्र (सेंटर) में और प्रान्तों (प्रोविन्सेज) में एक तरह से टैक्स लगाने की होड़ सी लग गई है और तरह तरह के टैक्स बगैर सोचे समझे लोगों पर लगाये जा रहे हैं। मैं यह नहीं कहता कि टैक्स न लगाया जाय। मगर टैक्स लगाते वक्त इस बात का खयाल करना चाहिये कि आया जितना हम टैक्स लगा रहे हैं, जिन लोगों पर टैक्स का भार पड़ने वाला है, वे टैक्स देने के काबिल हैं या नहीं? इसलिये मैं निवेदन करूँगा कि सरकार इस पर तवज्जह दे। मैं देख रहा हूँ कि इसी बिल के जरिये तेल, जोकि खाने की चीज है, साबुन जोकि सब के इस्तेमाल की चीज है और कपड़ा जोकि सब लोग पहनते हैं, इन सब चीजों पर कर बढ़ाया जा रहा है और इस का हर गरीब आदमी पर भार पड़ेगा। कहीं कहीं तो स्टेट्स में खाने पीने की चीजें, तेल अनाज, गेहूँ, चावल के अलावा नमक पर भी कर लगाये जाने की कोशिश है। मेरा खयाल है कि इस तरह का जो कर लगाया जायगा उस का असर गरीब लोगों पर और आम लोगों पर बहुत बुरा पड़ेगा क्योंकि इस समय महंगाई की वजह से वैसे ही उन लोगों को बहुत मुसीबत है। बहुत से लोग बड़ी मुश्किल से दो वक्त का खाना खा कर अपना बेट पाल रहे हैं।

अब उन सब लोगों पर इस तरह से कर का भार लगाना, मैं समझता हूँ कि उन को कर के बोझ से और दबाना होगा, जिस की वजह से कि वे अभी भी अपनी कमर सीधी नहीं कर सकते हैं। और इस का असर यह पड़ेगा कि उन लोगों की हालत बंद से बदतर होती जायगी। यह तो उसी तरह हुआ कि हम किसी से यह कहें कि माई

आज तुम खाना न खाओ, भूखे रह जाओ और जो कुछ कमाते हो वह सब हमें दे दो क्योंकि हम उस का यह उपयोग करेंगे कि जब तुम्हारे पौत्र और पौत्रियां, ग्रैंडसन्स और ग्रैंडडाटर्स होंगी, तब हम उन को इस रुपये से दूध मक्खन वगैरह देंगे। ऐसी स्थिति में वह यही कहेगा कि कम से कम मेरे पास सूखी रोटी तो खाने के लिये रहने दो बाकी सब हम देने के लिये तैयार हैं। ऐसी स्थिति में, मेरा निवेदन है कि आप जो कर वसूल करना चाहते हैं वह अवश्य लगायें लेकिन उस को उन लोगों से वसूल करें जोकि उस को देने के लायक हों। इस तौर पर आम लोगों पर कर लगाना और खास कर के अनाज पर या नमक पर कर लगाना, मैं समझता हूँ कि बड़ी ज्यादाती होगी। पार्लियामेंट को और प्रेसिडेंट महोदय को, जहां इस तरह का कर लगता है वहां हस्तक्षेप कर के, उस को लगाने की इजाजत नहीं देनी चाहिये।

इधर मैं एक बात यह देखता हूँ कि जहां तक व्यापारी वर्ग का ताल्लुक है वे लोग कर देना चाहते हैं, उन में से बहुत ज्यादा तादाद ऐसे लोगों की है जिन को कि अगर यह महसूस हो जाय कि जो कर वे देते हैं उस का सदुपयोग होगा, वह जनता के काम के लिये खर्च किया जायगा और बर्बाद नहीं होगा तो वे कर देने को तैयार हैं लेकिन कर वसूल करने की जो गवर्नमेंट की पालिसी है, जो तरीका है, जो इंकम-टैक्स आफिसर्स वगैरह हैं उन का जो रवैया है, उस में बदलाव होना बहुत आवश्यक है। व्यापारियों को सब सहाय्यता अवश्य ही मिलनी चाहिये कि उन लोगों का हेरास-मेंट नहीं होगा और उन को परेशान नहीं किया जाना चाहिये।

आजकल बहुत से टैक्स हो गये हैं, सेन्स टैक्स है, इंकम टैक्स है और दूसरे तरह के टैक्स हैं। उन को उगाड़ने के लिये अलग अलग आफिसर्स और जलय जलस इन्स्पेक्टर्स हैं। इसका परिणाम यह होता है कि व्या-

[श्री आर० पी० टाडगा]]

पारियों का बहुत सा समय बर्बाद हो जाता है। वे कर देने से नहीं घबड़ाते बल्कि इस से घबड़ाते हैं कि इन आफिसर्स के जरिये से उन को बहुत परेशानी (हेरासमेंट) होती है। इसलिये मैं अपने वित्त मंत्री से निवेदन करूंगा कि क्या यह सम्भव नहीं हो सकता है कि एक आल इंडिया सेल्स टैक्स एक्ट बने और सारे भारतवर्ष में जो सेल्स टैक्स लगे वह यूनिफार्म रेट (एक तरह) का हो। इस तरह से यह भी संभव हो सकता है कि जो इंकम टैक्स आफिसर्स हैं उन को ही सेल्स टैक्स का काम भी दे दिया जाय और जब वे इंकम टैक्स के लिये असेसमेंट करें तो उस के साथ ही साथ सेल्स टैक्स का भी असेसमेंट कर दिया करें। यदि दोनों का असेसमेंट साथ ही साथ हो जाय तो व्यापारियों की बहुत सी परेशानी खत्म हो जाय। उन को अभी साल में दो दो बार या तीन तीन बार अपना हिसाब दिखाना पड़ता है, इसलिये अगर ऐसा इंतजाम हो जाय तो उन की बहुत सी परेशानी दूर हो जायगी। मैं अपने वित्त मंत्री से यह निवेदन करूंगा कि वह ऐसी व्यवस्था कर दें कि जब असेसीज इंकम टैक्स आफिसर्स के सामने जायें तो वे सब उन से अच्छी तरह से बात करें, उन से सहूलियत से बातें करें, उन को इज्जतदार आदमी समझें, उन को झूठा और बेईमान समझ कर ही उन से बातें न करें। जितने इंकम टैक्स आफिसर्स हैं उन सब के रवैये में फर्क आना चाहिये और उन्हें यह समझना चाहिये कि जो असेसीज हैं वे उन के कर्दाता हैं, उन के मालिक हैं, उन्हीं से जो रुपया मिलता है उसी से उन को तनखाह वगैरह मिलती है। इस बात को इंकम टैक्स आफिसर्स को अच्छी तरह से समझा देना चाहिये और असेसीज के हेरासमेंट और उन को परेशान करने की जो शिकायतें आती हैं उन पर मैं समझता हूँ कि गवर्नमेंट को ज्यादा तबज्जह देनी चाहिये और जो

इंकम टैक्स आफिसर्स गुनाहगार हों उन को सजा देनी चाहिये।

मैं मानता हूँ कि बगैर रुपये के फाइव ईयर प्लान नहीं चलेगा परन्तु क्या यह सम्भव नहीं है कि जितना रुपया वसूल हो सके उसी के अनुसार फाइव ईयर प्लान बनाया जाय। अगर टैक्स से उतना रुपया वसूल नहीं हो सकता है जितने की कि जरूरत है और मैं मानता हूँ कि टैक्सों से उतना रुपया वसूल नहीं होगा, तो क्या यह गवर्नमेंट नहीं सोच सकती है कि सेकेंड फाइव ईयर प्लान की मुद्त को बड़ा दे, पांच साल के बजाय उसे सात साल या आठ साल कर दे और कोई ऐसा काम न करे जिस से कि लोगों को परेशानी हो क्योंकि जो गरीब जनता और आम जनता टैक्स नहीं दे सकती है उन पर टैक्स नहीं होना चाहिये।

हमारे यहां सोशलिस्ट पैटर्न आफ सोसाइटी के बनाने की बात है और इस के लिये हमारे प्रधान मंत्री जी, हमारे दूसरे मंत्रिगण और स्टेट गवर्नमेंट्स प्रयत्न करते रहे हैं और मैं समझता हूँ कि सोशलिस्ट पैटर्न आफ सोसाइटी तभी बन सकती है जब कि क्लासलेस और कास्टलेस सोसाइटी हो और आप एक वर्गहीन समाज की स्थापना करें। इस के लिये गवर्नमेंट आगे कदम भी बढ़ा रही है। अभी थोड़े दिन हुए कि गवर्नमेंट ने एक अनटचेबिलिटी ओफ़ेंस एक्ट बनाया है और हमारे संविधान में भी सब लोगों को इंसानियत का, बराबरी का, अधिकार दिया गया है। अनटचेबिलिटी ओफ़ेंस एक्ट में मन्दिर प्रवेश आदि में रोक लगाने को एक ओफ़ेंस (जुर्म) करार दिया गया है, मगर मैं अब भी देखता हूँ कि बनारस में विष्णुनाथ जी के मन्दिर में प्रवेश करने के सम्बन्ध में कई महीनों से सत्याग्रह चल रहा है और अभी भी जारी है। मेरी अपनी व्यक्तिगत राय यही है कि इस तरह का सत्याग्रह बगैरह करना गलत चीज है।

जबकि कानून इस तरह का अधिकार मिल गया है, तो सत्याग्रह बगैरह करना नामुनासिब बात है, परन्तु साथ ही साथ मैं यह भी कहना चाहता हूँ कि जब सरकार ने इस तरह का कानून बना दिया है कि यदि कोई व्यक्ति किसी को मन्दिर प्रवेश से रोकेगा तो उस को सजा दी जायगी तब तो कानून के मुताबिक उस को अवश्य ही सजा दी जानी चाहिये। मेरी समझ में नहीं आता है कि जो लोग विश्वनाथ जी के मन्दिर में जाना चाहते हैं उन को क्यों रोका जाता है और क्यों नहीं ऐसा करने से रोकने वालों के खिलाफ अनटचेबिलिटी ऑफ़िसेज एक्ट के मुताबिक कार्यवाही की जाती है ? सिर्फ कानून बना देने से ही कुछ नहीं होगा बल्कि कानून बना कर यह देखना भी सरकार का कर्तव्य हो जाता है कि उस कानून के मुताबिक काम हो रहा है या नहीं हो रहा है।

इन सब बातों के साथ, अन्त में, मैं केवल इतना ही निवेदन करूँगा कि इस फाइनेंस बिल में जितने टैक्स लगाये गये हैं उन का लगाना, अगर जरूरी है तो उन्हें सरकार लगाये लेकिन कम से कम इस बात की व्यवस्था होनी चाहिये कि टैक्सों की वसूली में किसी तरह से लोगों की परेशानी न बढ़े और टैक्स उन्हीं लोगों पर लगाये जायं जोकि उन को दे सकते हों, गरीब लोगों पर और आम लोगों पर, जोकि उन टैक्सों को बर्दाश्त नहीं कर सकते हैं, उन लोगों पर टैक्स नहीं लगाये जायं। इन शर्तों के साथ मैं इस बिल का समर्थन करता हूँ।

SHRI RAJENDRA PRATAP SINHA (Bihar): Mr. Vice-Chairman, we have to view this Finance Bill in terms of the requirements of our developing economy, i Does it fulfil that requirement? We have fresh taxation proposals and thereby it is attempted to raise some recourses. There may be difference of opinion on individual items but on the whole it can be agreed that the total amount

to be raised by way of taxation has been attempted in this Bill. Of course, there are various other avenues of taxation which the Finance Minister has not attempted to touch to which I shall come a little later.

To a very large extent the Finance Minister has depended upon deficit financing. For this year he proposes to have deficit financing to the extent of Rs. 350 crores. I raised this issue at the time of the general discussion of the Budget proposals and some developments have taken place which oblige me to raise this issue again in this speech. Sir, on the 7th of last month I said, quoting from the Draft Plan, that "up to a point it is safe, even necessary, but beyond a point deficit financing is inflationary. Now, we would like to know what is this, critical point? Up to which point • you can go on safely resorting to deficit financing and beyond that it may not be safe to do so, which will involve greater risks?" Then, Sir, I gave my own analysis of the situation and my own comments on deficit financing to which the Finance Minister replied in a very confident note. He said on the 8th of last month:

"I can assure the House that I shall be careful. We have had a certain amount of experience. We know now which indicators to study and watch. A little more experience has been gathered and we shall see how we get along. This is also an argument to those who state Rs. 1,200 crores is too high a figure for deficit financing in the Plan. That is a matter of 'macro planning'."

This is what he said.

Now, this very clearly indicates the confident note of the Finance Minister and indicates further that the Finance Minister knew all about it and about the impact this deficit financing might have on the Indian economy. In the meantime, we have had some experience of the deficit financing and its impact on our economy. I shall draw your attention to an article in.

[Shri Rajendra Pratap Sinha.] *Commerce* dated 31st March 1956 in which they have tabulated certain price rises as economic indicators. Now, they have given the prices a year ago, early in January 1956 and latest available.

	Latest available	Early in January 1956	A year ago
	Rs. a.	Rs. a.	Rs. a.
Ready silver	182 14	173 10	165 9
Ready gold	105 2	95 3	93 8
Oil seeds	35 6	29 6	30 10
Cotton	928 0	878 0	720 0
Wheat	16 12	16 0	13 8
Rice	14 4	13 4	11 8
Now, let us see some of the shares			
Tata Ordinary	249 8		245 4
Bombay Dyeing	622 8		474 6
A. C. C.	215 4		182 8
Bombay Burmah	638 12		478 12

Now, Sir, you will find that there has been a phenomenal rise in prices, particularly in regard to some of the articles. It is good that the agricultural prices have risen. As I said the other day, it has brought the prices of agricultural commodities to equitable parity with the manufactured articles. But the general upward trend in prices is rather alarming. Now, is this planning? A very significant and revealing remark has been made by the *Commerce* in its issue of 31st March 1956 in the article which I have just quoted. I will read out a few lines from that.....

SHRI M. C. SHAH: Give your own views rather than those of the *Commerce*.

SHRI RAJENDRA PRATAP SINHA: "When the country was faced with surpluses of certain agricultural commodities last year, the Government was advised by a section of the business community and the Press, including this journal, to buy them' and build up buffer stocks to meet situations of the type through which the country is passing now. This advice was not heeded. It will be pertinent to recall here that, when Mr. T. T. Krishnamachari visited Bombay early in 1955 to study the position, he realised the value of this advice. He actually telephoned to Mr. C. D. Deshmukh asking for funds to buy

cotton and store it on Government account. But Mr. Deshmukh refused.. Further, many were of the view that the Bank rate should be reduced and credit made available cheaply and easily for enabling merchants to buy and hold stocks. But the Government did not concur with it. Indeed, instead of conserving the surpluses within the country, the Government took all possible steps to encourage their export. Quantitative and qualitative restrictions on exports were relaxed. Export duties were reduced. Shipments of foodgrains were freely permitted and it was proudly claimed that India was in a position to export rice, wheat flour and wheat products, coarse-grains, pulses, etc..... The argument that such exports brought in foreign exchange will stand no scrutiny, for, in the coming eight or twelve months, more imports of cotton, wheat, rice, staple fibre and rayon, not to mention vegetable oils, may be found necessary."

Now, Sir, the Government stands* charged with negligence for not taking a farsighted view. They have wasted the foodgrains and the other products of agriculture by exporting them, although our party and many others had advocated that the resources of the country must be conserved to meet any emergency situation. Now, this complacency and the failure on the part of the Government to be farsighted is unpardonable. The Finance Minister had assured us that he was confident that he would be able to control the situation, but his confidence is also now shaking, as is evident from the speech that he delivered at the University Forums during this very month in the Central Hall of Parliament. Now, it has been reported that the Finance Ministry said:

"What effect that amount of deficit finance is going to have on our economy is a thing which the Finance Minister will have to watch with his fingers crossed.....we have been in consultation with th*

best economists that our country can produce. We have also had advice from various foreign experts, and the more advice I get the more confused I become. In regard to the possible effects of deficit finance the difficulty lies in the subject itself because one has to be sure of the assumptions that one makes."

So the Finance Minister is confused at the situation taking its own turn. The buoyancy and the confidence of the Finance Minister has given place to hesitancy and a search for truth. I would, therefore, like to reiterate the point that I made in my budget speech, namely, that unless there is a radical change in the entire approach to the problem of mobilisation of resources, it will not be possible for us to implement this bold Plan without serious dislocation to our economy. A bold Plan is necessary for which greater mobilisation of economic resources is imperative.

In the light of these observations I would like to examine the provision* of this Bill. In view of the fact that the prices are rising, it is imperative that as a consequence of that the concentration of wealth will take place sooner than later and the problem of institutional changes in regard to our proposals and taxation measures to finance the implementation of the Plan and to bring about equality in our society, must be faced boldly and immediately. Sir, there is a plan to resort to deficit financing to the tune of 1200 crores of rupees during the Second Five Year Plan. Now, from a study of the Indian economy it is found that for every Rs. 100 of deficit financing, there is an increase in note circulation by Rs. 70 and Rs. 30 go to the bank deposit to increase their resources, and the capacity of the banks to create credit is increased by Rs. 150. Sir, you know that we are going to resort to deficit financing to the tune of Rs. 1200 crores, thereby the banks' capacity to create credit will increase by Rs. 1800 crores. Now, this surplus credit of Rs. 1800 crores, will be available to the

private sector and it has been estimated by various bankers and economists that this quantum of credit is far in excess of the genuine requirements of the private sector. This will result, therefore, in speculation, hoarding and windfall profits, to the industries in the private sector. The prices are bound to go out of control and in consequence there will be greater concentration of wealth. The Government will lose its grip on the economy which will merely mean that the vast masses of people will be put to misery. And it will upset all our calculations and plans.

»

As I said, the Plan has to be implemented. It can only be done if we bring about institutional changes of a very radical character. We are not against the Plan that has been placed before us, but our party has been pleading that it will be next to impossible to implement this Plan unless radical, institutional changes are brought about in the taxation measures and in the economy.

One mild way of getting out of the pinch about this deficit financing will be to bring about an amendment to the Banking Companies Act itself. Banks are required to put in a certain percentage of their reserves in Government securities.

THE VICE-CHAIRMAN (SHRI P. S. RAJAGOPAL NAIDU): You have two minutes more.

SHRI RAJENDRA PRATAP SINHA: Five minutes more, Sir. I have spoken only for ten minutes.

THE VICE-CHAIRMAN (SHRI P. S. RAJAGOPAL NAIDU): You started at 2-28 P.M.

SHRI RAJENDRA PRATAP SINHA: I will end whenever you want. I will hurry up.

So, I would request the Government to take up immediately the question of amending the Banking Companies Act, so that that surplus credit that is now made available to the private sector may be mopped away and the banks will be required to put it in a .

[Shri Rajendra Pratap Sinha.] larger percentage of their resources in Government securities.

The wealth tax and the purchase tax are a necessary corollary to the amount of deficit financing that we are going to have. Now, the Finance Minister is still hesitant to take these measures. Any undue waste of time will create further complications and to my mind, it appears that the effective implementation of the wealth and purchase taxes will become impossible once greater concentration has taken place as a result of this heavy dose of deficit financing.

Now the taxation proposals are not to be considered only from the point of view of mobilising the resources but also from the angle of income redistribution. The Draft Plan says that one of its major objectives is "reduction of inequalities in income and wealth and a more even distribution of economic power." We do not see any step taken in this Finance Bill to give effect, in the first year of the Plan, to this very important objective. Sir, am I to infer that this important objective will remain a paper objective throughout the Second Five Year plan period? There is no evidence to show that even a mild and short step has been taken in this Finance Bill to implement this objective of the Plan, namely, a redistribution—and equitable distribution—of income. On the contrary, I have found that the Finance Minister has categorically declared that he does not propose to bring in any ceiling on incomes because it will be against the interests of the developing economy and will act as a deterrent against incentives. Sir, I do not agree with him. He merely views taxation—like the taxation Enquiry Committee—as a weapon to mobilise resources and he does not want to view it as an instrument of income redistribution. Now, if deficit financing to this extent has to take place and if the objectives of the Plan are to be achieved, he has got to give up that

stand that he has taken. Incentives can be of other types. Higher income cannot be the only incentive, we can have national awards, social prestige and economic power which a man gets and these give sufficient incentive for greater exertion and effort to be put forth by the private sector.

I would like to make one more point. Certain rebates have been given in the matter of use of automobiles. I would like to draw the attention of the Finance Minister to the greater importance of giving rebate on expenses on the higher education of children and like other countries, I think that we should first think of giving an exemption from income-tax on expenditure on higher education rather than on the use of motor cars. Education is important both from the individual and national points of view.

SHRI J. S. BISHT: Mr. Vice Chairman, at the outset, I must heartily congratulate the Minister for Revenue and Civil Expenditure for the energetic action that he has taken against some corrupt officials of the Income-Tax Department. It is a matter for gratification because theoretically, we always decry corruption, but when it comes to a question of taking practical action, very few people have the courage to do that. Therefore, it is very gratifying that the Minister took the action that he did in instances which were related before the House. He is well aware that there are 1,200 officers in that Department. I have been one of the stoutest defenders of government officials even at the cost of personal popularity, during the long debate over the Criminal Procedure Code (Amendment) Bill and also when the Prevention of Corruption Act was under discussion here. And they deserve defence because they are not present here to defend themselves and I am satisfied that a very large proportion of government officials are loyal and honest; otherwise, the business of the State would not have been carried on here.

the mann'r in which it is being carried on. Yet, we cannot shut our eyes to the fact that there are certain departments in which there are some officers who bring a bad name to the Government. The Railway Corruption Enquiry Committee Report is a revealing document. There are other departments like the Engineering Department where—for instance in the Hirakund Project and the Bhakra-Nangal Project—we see engineers being hauled up and being suspended and enquiries being held. Similarly, there are in the Income-tax Department in the category of Income-tax Officers, a fair number of such corrupt officials. I should put the number at at least 10 to 15 per cent. Out of the 1,200 officers, there would be about 100 still there and if the hon. Minister for Revenue and Civil Expenditure carries on this work of purging the Department in the manner in which he has done, I am sure that within the next five years, he will completely wipe out corruption from that department. It should be a model as the Judicial Department of our country is and that is the only reason why I am not in favour of certain clauses of this Bill.

Sir, in my speech on the Appropriation Bill, I made a reference to the tightening up of the collection department, and the hon. Minister has made an appeal that such Members should support this Bill wholeheartedly. I can assure him that I for one would support any measure of taxation wholeheartedly, provided there are three conditions fulfilled. Firstly, the Government should be careful to see that there is no waste of public funds. There should be no competition among the various departments that because the 31st of March is coming, so they must willy-nilly spend the money allotted to them, lest it be said that the departments have not kept up to that particular level. Sir, the moneys raised out of taxation should be treated with very great care, and if the Government takes care to see that there is no waste in any department

and that the work that is carried on is carried on with the utmost economy, then certainly the hon. Minister can depend on our support. Secondly, Sir, there should be no corruption. When the people find that the money is going into the pockets, say, of engineers and contractors, then naturally, they are very angry about the question of taxation. And, Sir, my third condition is that the Government should take every step to see that there is no inflation, because inflation is the worst type of taxation that you can ever imagine. If these three conditions are satisfied, that is to say, there is no waste, there is no corruption, and there is no inflation, then for carrying out the Plan, whatever be its dimensions, the Government can rest assured of public support, and the support of Parliament.

Now, Sir, coming to this Bill, I have only three objections to it. Firstly, if you look at this Bill, you will find that it consists of 38 clauses, and out of these 38 clauses, 28 clauses relate to the amendment of the Income-tax Act. It is therefore not understood why a separate Bill to amend the Income-tax Act was not introduced in the Houses of Parliament. As you know, Sir, the time for debate and discussion of all the relevant clauses pertaining to the Finance Bill is very limited. As the hon. Minister himself announced yesterday, it has got to be passed by this House by this evening, so that it may be taken tomorrow, which is the last date, for obtaining the assent of the President. So, Sir, these are the conditions under which we have to examine this Bill. And it makes very drastic changes in the Income-tax law. Therefore, I submit Sir, that that is not proper. And I must record my protest against this plan of carrying out extensive amendments to the Income-tax law by the back door, by introducing them in the Finance Bill, where there are only ten clauses relating to other things like the Tariff Act etc.

Then, Sir, my second point is with regard to clause 18, to which I must object. It purports to amend section

[Shri J. S. Bisht.] 34 of the Indian Income-tax Act, wherein there was a limit fixed for the opening of the accounts, and that time limit was eight years. I think, eight years is a pretty long time. Now that limit is being dropped and something else is being provided for. Now, Sir, the hon. Minister must realise the position of the assessee as well. It is true to say that there is concealment, and it is also true to say that there is fraud. That is there in every walk of life, but that is no reason why you should put every assessee, honest or dishonest, to such fear. Sir, even in the Government departments there are rules for weeding out certain papers. I suppose, the rule is that after every three or five years certain papers have got to be weeded out. Even ordinary receipts have to be weeded out after three years. Therefore, to ask an assessee to bring in accounts for a period of more than eight years is unfair, and especially when there are certain corrupt officials who can easily abuse that power. I think, it would be wise on the part of the Finance Ministry not to abolish this time limit. No particular cases have been brought out, and no statement has been placed on the Table of either House of Parliament in order to show that this time limit of eight years has affected very adversely the public exchequer.

[Ma. DEPUTY CHAIRMAN in the Chair]

Then, Sir, the second clause to which I have very great objection in the circumstances is clause 20. By this clause, Sir, a very extensive power is being vested in the Income-tax Officers, namely, that they can—

"enter and search any building or place where he has reason to believe that any books of account or other documents which in his opinion will be useful for, or relevant to, any proceeding under this Act may be found and examine them, if found;

seize any such books of account or other documents or place marks of identification thereon or make extracts or copies therefrom;

make a note or an inventory of any other article or thing found in the course of any search under this section which in his opinion will be useful for, or relevant to, any proceeding under this Act;".

Now this is a very wide and sweeping power that is being vested in them. Even if you want to give this power to them, you must put certain limitations on it and say that he may go to the premises of the assessee and seize the documents, if any. But that is not so here. It is stated that "Subject to any rules made in this behalf _____" I do not know what the rules will be. But here it has been laid down that "Subject to any rules made in this behalf, any Income-tax Officer specially authorised by the Commissioner in this behalf may enter and search any building _____". The clause does not say "the building of the assessee". It says "any building". And he may say "Well, I suspect that your son, or your wife, or your servant, or somebody else has concealed certain documents." He can enter any building. Sir, such wide and sweeping powers are being vested in the Income-tax Officers. Even if there are 50 corrupt officials in that set up, do you realise what an engine of oppression it can be to any assessee whatsoever? After all, in a democratic set up, when you have certain fundamental rights under the Constitution, a plain man must have certain rights as against the policeman. Otherwise, it becomes a police State. I therefore submit, Sir, that the hon. Minister should see to it, at least when the rules are framed under this clause—now it is too late for him to amend it—that that wide power is not likely to be abused by any of the Income-tax Officers. Although he has to take the permission of some of those Commissioners, after all, what can the Commissioner do, when the man on the spot, namely, the Income-tax Officer, gives him a certain type of report and makes out a *prima facie* case? He has to take action under the guidance of that Income-tax Officer. In these circumstances, Sir, I feel that this power

which was never given to any Income-tax Officer under the Income-tax law up till now, should be very sparingly used, and the Government should see *do* it that it is not likely to be abused.

The last point, Sir, is with regard to deficit financing. I entirely agree with what Mr. Chandulal Parikh said yesterday on this subject. It was a very welcome and a revealing remark, coming as it did from a capitalist gentleman. I have noticed that in this country, the capitalists and the industrialists, as a class, have been in favour of deficit financing. In fact, they control the press in this country, and you will have noticed that in the press also there is a strong bias in favour of deficit financing. Recently when there has been a rise in prices, they are trying to play it down by saying that it is not a sign of inflation. The fact, however, is that we are trying to over-reach our resources. I think in the other House, the hon. Finance Minister made a remark to the effect that there was a choice before the country, and that the country could have either development with a certain amount of risk of inflation, or it should be content with stagnation. With due respect to the Finance Minister, I would say that that is not a fair approach to this problem. In the First Five Year Plan, this country has spent about Rs. 2,000 crores or Rs. 2,200 crores on development. Well, that is not stagnation, and nobody has said that that is stagnation. In fact, we are claiming that this expenditure of Rs. 2,200 crores has lifted this country to some extent, from its backward or under-development state. Now, if for the next Five-Year Plan, we provide Rs. 3,600 crores or Rs. 3,800 crores as expenditure to be incurred, that would be twice the amount of the First Five-Year Plan. By no stretch of imagination would anybody say that that is stagnation. We are 3 P.M.

all anxious that there should be development. We are all anxious that there should be development as quickly as possible, but we must see that the development is with stability

and not with instability for the simple reason that, if we are not careful on this point, we shall be defeating our very object, if inflation begins as the signs show that it is beginning, in view of the fact that about Rs. 200 to Rs. 250 crores of additional money has been pumped into the market and there is a visible sign of a rise in prices. The price index is now 387 as against 377 or something in March 1955. In these circumstances, if this goes on, then you cannot stop the clamour for a rise in wages, and if you cannot stop the clamour for a rise in wages, you cannot stop the rise in prices, and then the vicious spiral will begin. Then, you will find that your Plan which is estimated to cost Rs. 4,800 crores will cost you Rs. 10,000 crores. Lastly, there is no shortcut, I firmly believe, to development. If by printing more money, you can develop, Russia would have been the first to do it with all the totalitarian apparatus of the State at their disposal. China too would be doing it. It is not so easy as all that. The quantum of development is measured by the quantum of real resources available, and the quantum of real resources available is the quantum of the total national production minus the total national consumption. There is no other jugglery or royal road by which you can develop except by external aid or by borrowing. Therefore I hope that this caution this warning against deficit financing will be noted. If we are repeating this again and again, it is only because we fear the consequences, and the middle classes who suffered grievously during the Second World War should not be called upon to make this sacrifice again.

Now, one last word with regard to the sales tax. Some two years back, I requested the hon. Minister for Revenue and Civil Expenditure that there should be some law in order to bring about uniformity in sales tax. I come from the State of Uttar Pradesh. They are imposing sales tax, which is perhaps necessary, but the difficulty is that there is difference in the rate of the tax between Delhi and U.P., between Madhya Pradesh, Vindhya

[Shri J. S. Bisht] Pradesh and U.P. or between U.P. and Punjab. That creates serious difficulties and there is a shift in the market and the bazars^ Now that we are going to amend the Constitution very extensively, I would strongly request the Finance Ministry to press for Central legislation. Of course, it is a source of State revenue and the revenue will go to them, but the legislation has to be Central so that there is uniformity, whatever the rate of tax you may impose. Of course, I concede that sales tax is very essential especially in a growing and developing economy and you will have to impose it. But whatever the rate, it should be the same from the Himalayas to Cape Comorin. With these words, I support the Bill.

SHRI H. N. KUNZRU (Uttar Pradesh): Mr. Deputy Chairman, it has to be borne in mind in considering the Finance Bill that taxation to the tune of Rs. 36 crores is going to be imposed for development purposes. The share of the Central Government will amount only to about Rs. 34'15 crores but I think that, taking into account the share of the States, the total taxation will amount to about Rs. 36 crores. It seems to be a large sum, but when one bears in mind the fact that the share market is far from being in a depressed condition, one feels that on the whole the taxation measures proposed by the Government have been well-received by the country, but while the magnitude of the taxation may not have set undesirable forces at work, we have yet to consider whether some of the measures that are proposed are in the interests of what I might call the integrated development of the country. The industrial development of the country depends upon the development both of the public and private sectors, and money is needed for the development of both the sectors. It is from this point of view that I want to consider the two measures that the Government have proposed. The first measure proposed by them is the elimination of the rebate of one anna in the rupee !

on income-tax at present given to non-section 23-A companies. It is true, as the Finance Minister said in another place, that that money is needed by Government in order to carry out the Second Five Year Plan, but is this really in the interests of the development of both the public and private sectors? So long as our development, in the opinion of the Planning Commission, requires progress in both the sectors, we have to take into account the requirements of both of them. I do not know what the effect of this on the money that was accumulating in the private sector will be, but I suppose that the elimination of the rebate will enable the Government to get about Rs. 11 crores. We do not yet know whether the private sector had enough resources at its disposal to fulfil the responsibilities assigned to it in the First Five Year Plan. We have been given no definite information about it. It is therefore necessary for us to ask what the effect of this step, which will certainly add to the resources of the Government, will be on the development of the country through both the private and public sectors.

The second measure which I want to consider is the taxation of bonus shares. It is true, as the Finance Minister has pointed out, that no individual shareholder will pay the tax. The tax will have to be paid by the company that issues the bonus shares, but in any case, even if the company pays it, the liability will have to be borne ultimately by the shareholders. Now, the argument in favour of this step is that the bonus shares* were issued in order to make the dividend appear less and thus to-, enable the shareholders to escape the payment of super-tax. Another argument that has been used is that the money at the disposal of the funds is used only to buy up existing concerns.. Now, bonus shares can be issued only with the consent of the authorities. If it is found that the manner in which bonus shares are being issued is not in the public interest, it is in the power of the Government to stop this. Indeed they can even take steps to>

impress on the industrialists that the money at their disposal ought to be used for the carrying out of that part of the Plan for which they have been made responsible. I do not know how much money Government expects to get in this way. But supposing that it amounts, say, to about Rs. 2 to 2½ crores, the total sum that the Government will get will amount to about Rs. 4 crores. Can the Minister for Revenue and Civil Expenditure tell us what the state of reserves in private companies is? Have they got sufficient money to fulfil that part of the plan which has been entrusted to their care or not? If he can assure us that the private sector will have sufficient funds at its disposal to carry out its responsibilities, there can be no objection on economic grounds to the measures that I have already discussed but if he cannot give this assurance, then the mere fact that transfer of money will take place from one sector to another, cannot be regarded as of any great value in the interest of the country as a whole.

The second point which I want to consider is the tax imposed on vegetable non-essential oils. The total revenue from this source is expected to be about Rs. 5½ crores. The tax will amount to about half an anna per lb. Most of this tax will, I suppose, fall on edible oils. At present we know that the prices of foodgrains etc. are rising. Is it wise that at a time like this, we should further take a step which will lead to a further rise in the prices of food articles? The Government of India once imposed a tax, an excise duty of half an anna per lb. on vegetable nonessential oils and many State Governments have imposed taxes on the sale of foodgrains. What is the effect of these measures going to be? Obviously, a rise in the prices of food articles and as has already been pointed out by Shri Bisht, this will mean a demand on the part of the workers for an increase in their wages. Should this happen, an inflationary spiral will be set up which will greatly increase the difficulties both of the Govern-

ment and of the public. The carrying out of the Plan will be rendered much more difficult than it is at the present time and discontent among the public will rise. Now, Sir, I have looked at this question from another point of view also. Salt tax, so long as it was imposed, brought a fairly large sum of money into the Central exchequer. So far as I remember, in 1946-47 which was the last year in which the salt was subjected to an excise duty of, I believe, Rs. 1-9-0 per maund, the total yield amounted to about Rs. 9½ crores. That is, with a duty of an anna and a quarter or so or about half that proposed to be levied on vegetable oils, Government got about 75 per cent, more revenue than they will get from the duty proposed by them. Now, I ask him, what is desirable in the interest of the common man? Government should consider this point not from party point of view but from that of the interest of the country as a whole. I think the question should be seriously examined and past history and prestige should be of no account at a time when vast sums of money are needed for the full development of the country. This is a very important matter. It is quite possible that when this matter is examined, it may be found that the levy of excise duty on salt will not have the inflationary effect that the levy of an excise duty on edible oils may have. I agree with my hon. friend Mr. Bisht that some steps should be taken. I mean that it is in the interest of the people that some steps should be taken to have a uniform excise duty on the sale of foodgrains agreed to by the State Governments. I know that it is exceedingly difficult when a State Government comes to you and says that either its proposal with regard to sales taxes including taxes on the sale of foodgrains must be accepted or they will have no resources for the carrying out of the Second Five Year Plan, you are in a very difficult position. You have either to agree to their proposals or accept the responsibility of preventing them from carrying out that part of the Plan for which they are:

[Shri H. N. Kunzru.] made responsible. In spite of this difficulty, some steps should be taken to stop the rate at which things are going on.

Lastly I would like to say a word about the development of the public sector. At the present time, it is in the interest of the Government, the public and the Press, that the irregularities of which the capitalists are guilty should be exposed. But so far as the public sector is concerned, the Government certainly will not be in a hurry to tell even Parliament what exactly is happening. The public will have very little means of finding out what the state of things there is. And the Press, even if it comes to know anything, may not consider itself as free to give publicity to abuses in government concerns as it is to give publicity to the irregularities to which industrialists resort. I think, therefore, that some special steps should be taken to keep Parliament and the public informed of the efficiency of the public sector. It is difficult to say what should be done in order to ensure watchfulness and readiness to prevent abuses. But perhaps a committee consisting of Members of Parliament or of Members of Parliament and outsiders, will be required to examine the manner in which our national concerns are being carried on and to report on their efficiency. The fact that the public sector is expanding can, by itself, be no source of pleasure to us. We must be certain that they are being managed with integrity and efficiency and I think, as I have already stated, steps should be taken at an early date by Government to adopt such measures as will enable us to know the state of management of public concerns.

DR. SHRIMATI SEETA PARMANAND (Madhya Pradesh): Mr. Deputy Chairman, when speaking on the Finance Bill I would like to focus attention on a very important matter which is connected with the Information and Broadcasting Ministry and that is the subject of the exhibition of cinemas

and the production of films as well as the import of films.

Sir, it is known to everyone that the cinema is a very important arm of our education and the state in which cinematograph, not only the industry but the exhibition of films is today, is having a very dire effect on the moulding of the character of the young in particular. Sir, it is almost four years now since this Parliament started in 1952. From that time it was the intention of the Government to take this matter in hand. Women's organisations outside did a good deal in creating public opinion in the matter. A film seminar was held in the capital about eighteen months back. But our film industry did not somehow like the idea of associating Members of Parliament or take into confidence government officers connected with the Ministry in this matter, for reasons best known to them.

Sir, this is such a big subject that one could speak almost for an hour, but I would like, on the present occasion, to give the main points for the consideration of the Ministry and even at this late hour, request the Ministry to take this matter up. I do not know the reasons why this question was given up, because after the first non-official Resolution with regard to the need for taking in hand the improvement of censorship etc. was passed in this House, it was more or less decided that changes in the Constitution, if found necessary, would be made so as to strengthen the hands of the Ministry to introduce stricter censorship. But even after that, the matter has been dropped and I think the emphasis now laid is on the cultural advance and all the attention of this Ministry seems to be diverted to broad casting music and other allied things and cinema has been forgotten.

Sir, there is no doubt that the taste of the public in this respect has been somewhat vitiated on account of the type of films from Hollywood that are introduced and the films that are produced by our indigenous producers in imitation of the lower tier of Hollywood films, because they feel that if

the films failed, they would lose their money and this they cannot afford to do.

Sir, during the Film Seminar held here, on the subject of historical films, remarks were made to the effect that when our producers tried their best to produce films of a historical nature, films with high ideals, they lost heavily and they had to go out of business. Therefore, what is the remedy? That is what we have to consider here.

The first and foremost complaint made by the producers here is that Government, in allowing the import of foreign films—last year it was 233, almost half of the number produced in this country—not only create a competitor to the indigenous production of films, but also help in creating a craving for a different type of films. The standards of censorship in the case of foreign films and those of indigenous films are not the same, the reason being that the cultural outlook in foreign countries being so much different from that in our society, the standards for censoring those films, it is considered, can be a little looser or that they need not be so strict. As a result of that, a number of the younger people say that our Indian films are all "flat", because they are not at all "natural". What all that means I need not go in detail here. But I would like to point out here that our films are not popular because there is no censorship of films as such in America or in the U.S.A. and these are brought here and as the importers as well as the distributors of these films are foreigners and even the Indians who have joined these foreign concerns have built costly theatres in our country, they find no difficulty in exhibiting these films here and they get our gullible customers, our Indians, to see them and pour their money into their pockets. This is a most unsatisfactory state of affairs. This matter can be taken up to the UNESCO. It cannot be taken up at the Government level, perhaps it can be, I do not know. But there is no film censorship as such in the United States of America and so we 28 BSD—4.

cannot take it up from one censorship board here to another censorship board there.

Sir, the conclusion in this respect is two-fold. We have to restrict the import of films, in spite of the article in the Constitution which permits our citizens who are in partnership with foreign firms to import films which may be considered as against public moral standards and against the interests of the country. Or it may be desirable in this respect to have a little change in the Constitution, because if a case were to be brought up by these distributors who trade in these films even against the interest of their own countrymen, perhaps under the present Constitution, I don't know, but they may get a decree against the Government.

This is a very serious matter and Government should not lose time. While there are so many changes being made in the Constitution, during the lifetime of the present Parliament, before the Lok Sabha goes to the electorate again, this important matter should be settled one way or the other.

There is another aspect which I have referred to already. The Indian producers who would be prepared to produce films of the type guardians and educationists demand, films of historical nature, films though they would be entertaining would be, at the same time, instructive and films that would not in any way lower the present recognised standards of social decorum and behaviour, have to be guaranteed against loss at least for the interim period. For that reason, it would be desirable for Government to go into partnership, half and half, with a certain number of film producers in this respect. Just as all new ventures, all good ventures have to be subsidised in any country, I would suggest that such films should be guaranteed against loss. It is only for a few years that the subsidy will be required and I feel the whole thing will be changed if a determined effort is made in that direction.

Government have also to do something more about children's films. I

[Dr. Shrimati Seeta Parmanand.] am glad that the President of the Children's Films Society—or whatever the correct name is—Dr. Kunzru, is sitting here and something is being done in this direction but the money made available for this effort is very little and what is worse still, I am told that the films for this purpose have *to* be imported from abroad and translated into our language. Thus ten films are going to be translated which have been brought from foreign countries. That is what I heard in Bombay the other day, about a week ago. In this respect too, I feel that though there is no harm in copying good things, an attempt should be made to have children's films of our own which would be on the basis of our own culture.

There is one point about the issue of 'Universal' and 'Adult' certificates. Under the present law, as it stands, I am told that it is not possible to stop the showing of 'Adult' certificate films while the 'Universal' certified film is on. What happens is that children see these trailers of 'Adult' films during the 'Universal' films and naturally they develop a special desire to see these films which are marked 'Adult' and you can as well imagine the result. This is perhaps worse than letting them see a film marked 'Adult'. I need not refer to the other points in this respect but there is one thing more in this connection. Recently, on account of the emphasis being laid on the differentiation between 'Adult' and 'Universal', there has been a complaint that a number of films have been refused 'Universal' certificates but for this the producers themselves have to be thanked. I would refer to a film called 'Ek hi Rasta'. In that film, though the main actor is made to appear as a child genius, there are one or two scenes which are so bad that no parent or guardian or educationist would like any child to see them. I would refer here to the scene in which the child of six is, as a matter of revenge, made to point a revolver at, with a desire to shoot, the stepfather. Secondly, in order to punish

an enemy, a man who reported about blackmarketing, a truck driver is made to run over that man who reported and no action is taken by the police. These are some of the factors in addition to the overdoing of dance. One often wonders, with the amount of dancing in and out of season at every stage, in the films, whether our younger generation would ever walk in the streets but would go about dancing as in France after the War. There people, instead of standing and waiting for the train, could be seen jazzing on railway stations. That *ma5* be the result. That is by the way, but these are some of the points with regard to the film industry that our Ministry should at once set about so that, with regard to having special theatres for children, with regard to having certain theatres for showing only documentary films, with regard, to the starting of one or two studios where the films would be produced by Government in partnership with others, etc., could be decided by March next. In China, for instance, they have their own theatres and it is possible for every person—at least I am talking of the big towns—to see a picture for a very moderate sum. The rates, from the lowest to the highest seats, are the same. But here in some of the theatres, particularly in Delhi, the rates are so abnormally high that in spite of all that is done in the name of entertainment being made cheap for the poorer classes, very few people can go to cinemas. The craving thus created in the minds of the young children in particular who see the advertisements with music and various pictures has to be satisfied by showing them films in children's theatres, in open air and at very cheap rates. There are very many ways in which children can try to get money. They do this not only by stealing from their parents' pockets but children go to a railway siding, collect the coal found there and sell it to the *chanawala* and thus get four annas. All these things are there. If we want to educate our younger generation, the emphasis should be taken away immediately from broadcasting, music Shastriya Sangeet, the

Akadamis. The emphasis as also the resources should be entirely on the children's »lms. The emphasis should also be taken away from television.

I have only one more word to say and that is relating to the Food Minister. Many speakers have referred to the soaring prices. I would like here to mention about certain essential commodities like tea, sugar, coffee, etc. All that I would like to say is that Government's efforts in trying to bring down the prices by distributing grain from its own stocks or by controlling some commodity here or there are not likely to bear fruit until Government sees to it that in a town with a population, say of 30,000, there is at least one Government consumer co-operative store. Unless prices can be checked by Government in this manner, it would be of no use. The hon. Food Minister has been telling us during Question Hour and on other occasions that Government has been trying to release food grains to merchants and that it has been trying at lower prices. Limited stocks are being made available to individual merchants. As stocks need not be made available to all merchants, and as there is no compulsion about notification that certain stocks have been made available to particular merchant—I am talking about the period after the removal of control, during the last two or three months—there has been no compulsion that the grains must be sold at a particular price. The result is that until new crops came in, all Government's efforts to release the food grains at so much cost and trouble over distribution—still greater trouble there has been over this—have not been of any value to the common man in regard to his getting it at lower prices. About two months back, when grain prices had gone up to Rs. 18 per maund—even here in Delhi—and even when the shopkeepers were getting wheat from Government, the consumers did not get wheat for Rs. 14 per maund, the price at which Government released stocks in addition to the free gunny bag. The shopkeepers said—I am giving this for the information of the Government which 1

information Government should itself be able to get by sending to « the market some of its own Government servants as purchasers—and the shopkeepers gave the answer to anybody who enquired that the reason for not giving the benefit of the extra stock given- by Government was that they had to wait in a queue very often for about six hours and they had to employ a special agency for getting these things, v/hich all added to the cost of the establishment of the shop.

One more thing. Government has been very enterprising in Delhi and had good intentions in starting this dairy in Delhi, this milk supply scheme, in order to lower the price of milk and also to take away the Gowa-las from all over Delhi to one segregated area. After running it for two years the result has been that they were not able to run it at any profit and if I am right, the loss was about Rs. 2 lakhs or so. Then they sold it to Meerut persons and I am not able to understand why this enterprise was not sold to the Delhi Government so that it could have been under the control of Delhi Government. And today the result is that the milk that is supplied through this milk supply depot is skimmed milk even milk that is supplied to the M.Ps., and I am almost certain that, if it is examined, it will be found skimmed milk mixed or thickened with milk powder. So, Sir, Government has to take good care that any venture started by it should not deteriorate in this manner. Instead of setting an example in efficiency and higher standards it is the other way round.

Lastly one word about Income-tax. I know the time is very short and as • this Bill deals with it, I would like the hon. the Minister for Revenue to make a note of these three or four things. There is really great need to amend sections 28, 37, 39, 51 and 52. Section 28 deals with giving exemplary punishment and in this matter I would have liked that the Government had made a provision to ostracise the people, who are found guilty of any income-tax offence, to this extent that

[Dr. Shrimati Seeta Parmanand.] they would not be appointed to any corporation or any honorary offices. That is the only way in which to show to the public and prove to the public that Government take a very strict view of these things even in the case of the people in general. I would not go into the details of these sections having pointed them out to the hon. Minister, but I would just like to give one or two hints. An Income-tax Officer is not given adequate punishment for collaborating to do certain things or conniving at certain things in complicity with the offender. The punishment for such an officer should be very high. I think Government has, to some extent, empowered now some special Income-tax Officers to confiscate the records at the place where he goes, but what is required here more is that it should be possible for the officer to keep these records with him until the case that is filed by him is tried and finished. In allowing the man to get back these records there is danger of their being tampered with. Sir, I would like later on to pass this entire paper on which all these amendments are made. Thank you.

SHRI M. C. SHAH: Sir, I have heard the hon. Members for the last six hours. Some speeches were interesting; in some there were repetitions of the points that were made during the Appropriation Bill, to which I have already replied, and I do not think I should take the time of the House in replying to those very points. Some of the Members also had their remarks on the Second Five Year Plan, deficit financing and matters connected with the Second Five Year Plan. I imagined that hon. Members would have reserved these remarks for the general discussion of the Second Five Year Plan, but they have already advanced these arguments and I do not think they have kept anything in reserve. But it is for them to decide whether to speak then or now.

Now, Sir, there are certain criticisms about the taxation proposals. Before dealing with them I should

like to pose a question to the hon. Members. The position I had explained very clearly yesterday while replying to the debate on the Appropriation Bill. I ask also now: Do we propose to take the country further by undertaking developmental schemes? Do we want to make our efforts to raise the national income and the per capita income a success? If the answer is "Yes", then we have to incur a huge sum on development, in order to produce more, to raise the national income and the per capita income, to get more and more equitable distribution of wealth and to raise the standard of living of the common man. Now, if we agree that we have to go at a faster speed and not at a slow speed, then we have to examine the question from a different angle. We have to find the resources for the Second Five Year Plan, which is estimated to need an investment of Rs. 4,800 crores in the public sector. Also, as I pointed out yesterday, there may be an additional expenditure of Rs. 400 crores or so. As our resources are limited there is the proposal to have deficit financing to the extent of Rs. 1,200 crores. Still there is a gap of Rs. 400 crores, and if the expenditure goes up by, as I pointed out, about Rs. 400 crores, then we will have to find the additional resources. Now if we come to the conclusion that we want development, we want to raise the standard of living, we want to increase the national income and we want to invest such big sums by adopting a very bold Plan, then the only alternative that lies before us is to find the resources, and to find the resources we have to resort to additional taxation. As has been pointed out in the outline of the Plan, Rs. 225 crores by way of additional taxation will be necessary to be raised during these five years and perhaps more when we have this additional investment expenditure. Now, Sir, if we accept the proposition that we will have to find the resources and will have to resort to additional taxation, then we have to find out how to raise that additional

taxation, and therefore it is a very difficult problem for the Finance Ministry to find out tax proposals which will be welcomed by one and all. I said yesterday—My friend Mr. Saksena is not here;—I told the House yesterday that Mr. Saksena was not in favour of additional taxation. That view has been confirmed by his speech of today. Now I ask: Are we prepared to face the facts boldly and go to the country and explain to our countrymen that this is the position; Do you want the betterment of the lot of our masses? Do you want the blessings of the future generations to come or do you want to remain stagnant? That is the only question that we can place before our countrymen, and I am sure there is enough common-sense in the common man; there is robust commonsense in the common man, and I am sure there will be the fullest possible support and cooperation from the common man the moment we explain to them the objectives that we have placed before the country, and when we explain to them all these objectives and the purposes for which this taxation is being raised, I am sure the entire country will rise to the occasion to support the proposals and the Government.

Members need not be afraid of incurring 'unpopularity even if it comes to that. If it is found that this is the only alternative that we can adopt, that unpopularity will be only temporary. The moment the people come to know that these will be the benefits to which they are entitled and those benefits can be achieved only by investment of such huge sums in development expenditure, I am sure there will be no difficulty.

Now, Members from U.P. are unnerved by the action of the U.P. Government in imposing sales tax on certain commodities and some of them tried to foist the responsibility for this tax on those commodities on the Central Government. But, Sir, it is not so. It has been explained so often that the U.P. Government was[^] very keen to impose sales tax on those commodities. They approached the Central Government; they fervently

requested the Central Government to come to their aid by agreeing to the imposition of this sales tax on those commodities because they wanted additional funds. They wanted to have a very big scheme of development in the second Five Year Plan and for that purpose they had also to raise some resources. Therefore they came up for sanction to impose this sales tax on certain commodities which were essential to the community as laid down in that Act, passed by Parliament.

SHRI JASPAT ROY KAPOOR (Uttar Pradesh): Have you agreed to their big schemes?

SHRI M. C. SHAH: When the second Five Year Plan comes up my hon. friend will find to what extent the Planning Commission has agreed to their development schemes. This is not the time when the Finance Ministry can reply to that question. It is a question to be posed to the Planning Commission and a reply will be given to my hon. friend Mr. Jaspat Roy Kapoor then. Sir, I will take only two or three minutes to explain the position.

On 8th February 1956, the Government of the U.P. addressed the Central Government demi-officially indicating that they were assuming while framing their Budget proposals for 1956-57 that either the Essential Goods (Declaration and Regulation of Tax on Sale or Purchase) Act, 1952, would be replaced very soon or in the alternative the consent of the President would be available to legislation in the State dealing *inter alia* with essential goods. On 20th February 1956, a demi-official reply was sent stating that the Central Government should be safely assured of the State taxing essential goods in accordance with the recommendations of the Taxation Enquiry Commission. On March 15, 1956, a draft ordinance was forwarded to the Central Government by the State Government one of the provisions of which was the withdrawal of the pre-existing exemption from sales tax on salt, food grains, gur and a few other commodities. It was stated that

[Shri M. C. Shah.] the State Government proposed to issue this ordinance on 1st April 1956 and a request was made for the instructions of the President under the proviso to sub-clause (1) of article 213 of the Constitution being conveyed to them very early. This was followed up by another letter dated 23rd March 1956, from the State Government in which the President's instructions were solicited as early as conveniently possible and in any case before 30th March 1956 as, according to the State Government, it was proposed to promulgate the ordinance with effect from 1st April 1956. On 29th March 1956 the State Government were informed of the approval of the President to the ordinance. Besides official and demi-official letters, telephone requests were also received from the State Government for the very early communication of the President's instructions as the State Government were keen on promulgating the ordinance on 1st April 1956. Sir, it will therefore be apparent that the State Government were very keen to levy this tax on the commodities mentioned and the Central Government had to give their assent according to the recommendations of the Taxation Enquiry Commission. My friend Mr. Jaspat Roy Kapoor said that Central Government forced the U.P. Government to levy this sales tax on these commodities. It will be seen from what I have stated that the Central Government had nothing to do with the imposition of this tax. The Central Government would certainly wish that the finances of the Government should be sounder in order to finance the huge development expenditure that they anticipate to be incurred and it is their duty to find ways and means. If hon. Members from U.P. object to this tax it is for them to make up their minds and to ask their representatives in the Legislative Assembly to withdraw this tax on commodities which in their opinion will hit hard the common man in U.P.

SHRI JASPAT ROY KAPOOR: A word of personal explanation, Sir. Let

our position not be misunderstood. I made it clear—and so did my friend Mr. Bisht today—that we were out so much opposed to the imposition of the sales tax. What we are opposed to is the sales tax being imposed at different rates in different States. What we had suggested—and what we would like the hon. Minister particularly to refer to and give the Government's views on—was why it should not be made a Central subject so that there may be uniformity in the whole of the country and secondly.....

MR. DEPUTY CHAIRMAN: You cannot make another speech now.

SHRI JASPAT ROY KAPOOR: I am not, Sir. It was not of my own thinking that I said that the State Government was compelled; the State Minister himself had 'jaid so. I do not know who is correct—the hon. Minister here or the State Minister.

SHRI M. C. SHAH: I am speaking from the records now. Now, Sir, about this sales tax, my friend Dr. Variava, Mr. Bisht and Mr. Kapoor suggested that there might be some uniform system of sales tax. Sir, it is well known that under the Constitution sales tax is a provincial subject. The Central Government are concerned with this tax on inter-State transactions and about that We have already stated that we proposed to bring in legislation soon. So far as sales tax within the States is concerned, I am afraid no State Government will ever be prepared to forego their right of augmenting their finances with the help of this tax. Madras perhaps gets about Rs. 17 or Rs. 18 crores; Bombay gets some Rs. 16 or Rs. 17 crores. I am subject to correction about these figures but I am sure that such States will never agree to hand over this sales tax, which is a very useful weapon for augmenting their resources, to the Central Government even though they are assured of getting their share of the revenue. Because then there will be difficulty as to whether it will be on population basis or whether it will be this way or that way. I think it is not possi-

ble at all and therefore I am afraid the Central Government cannot take any action. And further the Taxation Enquiry Commission naa very 4 P.M. carefully gone into this question and they themselves had suggested that you cannot take over the sales tax from the States. Only you can regulate the sales tax on inter-State transactions and for 'that they have suggested a certain formula.

Now, we come to certain questions about the resources and taxation. There were certain suggestions made by some friends. I was glad my hon. friend, Mr. Chandulal Parikh, suggested certain methods to augment the resources of the Government. He mentioned that if such and such a method had been adopted or if such and such tax was imposed the Government would have got more money. I welcome all those suggestions, I will remind him that this is a budget for one year only. We are not budgeting for five years, or we are not budgeting for the Plan period. We require more and more resources for the implementation of the Second Five Year Plan and all those suggestions will be certainly considered. We will not be satisfied with the Rs. 35 crores being imposed this year. Next year we will have to have additional funds. The year after also we will require more funds and, therefore, all the avenues whereby we can augment the resources of the Central Government will be certainly examined and whenever appropriate the Government will take necessary steps. There is the tax on total wealth; there is the tax on business gains; there is the tax on excess profits. Then there is that Gift-tax. But instead of applying Gift-tax prospectively, we considered whether we could not amend the Estate Duty Act so as to make all those gifts of property to the heirs and relatives whenever made—and bring in all that estate—within the purview of the Estate duty Act. That will be a better method of getting resources. Otherwise, certain persons may have already gifted away and if you only have Gift-tax from

tomorrow then naturally people will not make gifts. So, in order to rope in all those who have gifted away their property to their sons, daughters, wives or to their relatives, it will be better always to look into that section in the Estate Duty Act wherein only two years have been provided for. In other countries there is no provision of two years. There is provision for a longer period. In some countries there is no provision. So, I think this is a matter worth considering and I can assure my hon. friend, Mr. Chandulal Parikh, that all these methods for additional taxation and getting more money will be certainly looked into. I am also happy to hear from him that the class to which he belongs is not yet fully taxed. I welcome that suggestion also, because I would like to examine that position as to whether we can get more funds by taxing them still further. All those speeches are there and we will certainly look into all the suggestion

SHEI H. N. KUNZRU: Tax him first.

SHRI M. C. SHAH: That is with regard to the augmentation of the resources by various methods of taxation.

Now, with regard to certain criticisms about the taxation proposals, I will first mention Mr. Jaspat Roy Kapoor who had some difficulty about this tax on liquid gold. We have looked into the matter very carefully and we find that there is enough capacity in the country. The capacity is to the extent of three lakh ounces and today we have only one lakh and forty thousand ounces produced in the country. And this tax is levied on the imported liquid gold which is used in bangles. In order to give scope to the indigenous industry to grow and to utilise their idle capacity to the fullest extent, we wanted to tax the imported article, that is, imported liquid gold. Therefore we are helping the indigenous industry and at the same time the incidence is very little. One ounce is enough to

[Shri M. C. Shah].

produce forty thousand bangles of the ordinary type and some six thousand bangles of the finer type and, therefore the incidence becomes practically negligible at the same time giving support to the indigenous industry.

Now, he had also raised a question about the coarse cloth. In the last budget we had proposed the imposition of an additional excise on coarse, medium and so on. Then the agricultural prices were falling and it was pointed out by the Government that the burden would be rather more when the prices were falling. Now the prices are rising and there is also a complaint from hon. Members that the Government will have to take precautionary measures in order not to allow the prices to go up. There are signs of inflationary trend and the prices of agricultural produce are also going very high. Now, when the money coming in the hands of the agriculturist is much more than what it was last year, I think they can bear easily this additional excise duty of half an anna. At the same time, we have already exempted dhoties and sarees from the coarse cloth and in the rest there are certain varieties which comprise a very great part of the coarse cloth production, tapestries and other things which are valued very highly and which are used not by the poorer classes but by the classes who can well afford that. It has been suggested that instead of levying duty on coarse cloth, we must levy more duty on superfine cloth. That was argued by my friend, Mr. Chandulal Parikh also. He knows very well that the production of superfine cloth is only 10 per cent. Now by this levy of excise duty, we propose to have Rs. 14.5 crores. If you only resort to superfine cloth, it will not be much; it may be to the extent of Rs. 1,02,00,000 or so. Now how are we to make up these Rs. 14,50,00,000? Therefore, if his case is that there should be excise duty on all, but the superfine cloth must bear yet a higher duty, then it is a case for examination again.

SHRI C. P. PARIKH: That is what I say.

SHRI M. C. SHAH: And therefore you get the reply.

Mr. Kishen Chand raised a question about the excise duty on soap and spoke about poor people being affected. Some friends here said that we are just teaching that people should remain clean; they must have their clothes washed and must always put up a very good appearance and therefore, soap should not be taxed. I feel that there is a misapprehension. What we have done is to adjust these duties. We want to protect the indigenous hand-made soap and therefore, we have provided 200 tons (per year; exemption altogether. For the manufacture of soap by employing power, we have just exempted 175 tons. So, in the case of these small hand-made soap factories or whatever you call them, we have exempted this capacity of 200 tons, which means about 20 maunds a day. It is not a small quantity. And if we encourage the cottage industry or the village industry or the hand-made soap industry, I think that we should be rather congratulated than criticised.

Mr. Kishen Chand also said something about matches. I submit that we have not increased the duty on matches. But if he carefully studies

SHRI KISHEN CHAND (Hyderabad): Edible oil.

SHRI M. C. SHAH: You do not want to have a reply on matches because possibly there is some misapprehension in your mind. You should study the subject well.

SHRI KISHEN CHAND: I said that one big concern is closing down all the small Indian concerns and there should be differential duty.

SHRI M. C. SHAH: There I want to show to the hon. Member that in regard to matches, it is not a fact that the smaller units are being wiped out. Actually under tariff protection, the

production by smaller units has gone i up from 17·4 per cent in 1949-50 to 147·2 per cent in 1954-55. Therefore, I j wanted to show that the tariff on matches has been so arranged that the small-scale industry matches gets enough protection and production has gone up, as I said, from 17·4 in 1949-50 to 472 per cent in 1954-55.

About soap, I have already explained the position.

Then I will have to speak about edible oils—vegetable oils. A duty of only six pies per lb. which works out to about 6·9 per cent of the wholesale price has been proposed in the Bill. The proposal has been conceived as a tax on an article of general consumption, through which all consumers of edible oil, whether rich or poor and industrial consumers of non-edible oils should contribute to the exchequer. The incidence of this tax on the family budget has been worked out at 0·09 per cent and 0·12 per cent in the rural and urban areas respect vely. In rural areas, it comes to 0·09 per cent. Now, no doubt, in the early stages there was a question that the prices were going up. Ordinarily, it has always been our experience that in the early stages when an excise duty is levied, dealers and the middlemen who deal in the article raise the price. They just speculate and hoard it. But slowly and slowly, prices come down and only to the extent of the levy of the excise duty, the prices reflect later on—only the additional excise duty. At the same time, we must realise that we have to raise about Rs. 25 crores by indirect taxation. Now, what are the items on which we can levy excise duties which will affect every common man? In India, particularly, almost all are common men, except a few rich classes and upper middle classes staying n urban areas. There, the incidence vill be Q-12 per cent.

Here we have to raise about Rs. 5·5 rores. We cannot go to a number of arieties or a number of commodi-es—some 50 or 60 of them—and rake !. 25 crores. We have to find out

from which source—without affecting the common man or affecting him to the least degree possible—we can raise additional sums. Therefore, in these vegetable oils, we propose to raise Rs. 5" 5 crores and from diesel, industrial and fuel oils Rs. 4·5 crores. Therefore, I think that there is not much hardship, as has been made out, to the common man. My friend, Mr. Saksena is always very keen to see that the common man does not pay anything. He must get all the benefits of the development, but he should not share in producing the result. Mr. Saksena is afraid that, because there are elections and because it will have an adverse effect he must safeguard against those fears. I am afraid that I cannot subscribe to his views and his opinions. I may be permitted to give only one personal example. I have had the experience of working in the Ahmedabad Municipality from 1924 to ' 1949. When I entered, the income was Rs. 27 lakhs. But when I left, it wac Rs. 1,75,00,000. Every third year, just before the elections, I used to address meetings. I told the people, "Yes. I am guilty of raising the taxation to get more resources". I had to do this because the citizens of Ahmedabad must have more amenities—good roads, good water-supply, drainage, parks and all those things. And, though I pleaded guilty, I was returned with a majority of 51 out of 52 for the last so many years. We know

SHM H. C. DASAPPA: What election has Mr. Saksena or anybody to fight here?

SHRI H. P. SAKSENA: We lost two elections because of the levy of this.

(Interruptions.)

SHRI M. C. SHAH: If you are bold enough and are right in your objective and if that measure is taken to benefit all the citizens, I am sure that the common man has enough com-monsense—not enough commonsense, but robust commonsense—to just appreciate the efforts made by those who profess to represent him to bet-

[Shri M. C. Shah.] ter his lot. And they need not be afraid of any unpopularity here or there because we lost an election in Agra. "Therefore, it will apply to the whole of me country and we should be very circumspect; we should not proceed with the Five Year Plan. The first year of the Second Plan has already begun from the 1st April and therefore, we shall not augment our resources." I do not subscribe to that opinion at all.

Now, Sir, only two points were raised by my friend, Dr. Kunzru, and I would like to reply to them. The first point was with regard to the withdrawal of one-anna rebate. Now that question was examined by the Taxation Enquiry Commission. That concession was given in the year 1948 in order that the undistributed profits may be ploughed back for expanding the industry. The Taxation Enquiry Commission has found out that it has not served its purpose. Really speaking, we found that these undistributed profits, after taking into account the one-anna rebate

SHRI H. N. KUNZRU: May I know from my hon. friend whether he has stated that the Taxation- Enquiry Commission was in favour of the abolition of the rebate?

SHRI M. C. SHAH: Whatever recommendation the Taxation Enquiry Commission may have made, it did say that the rebate has not served its purpose.

SHRI H. N. KUNZRU: Sir, it has stated very definitely that in its opinion it has been proved to be useful to a certain extent, and that it should be retained.

SHRI M. C. SHAH: I am sorry. ' I have not got that Report with me now. But even if that is so, there was still their finding based on analysis of companies Finance from 1946—1952 that the amount of retained profits was not influenced by the volume and rates of taxation. This matter was very carefully considered and it was decided that this rebate was not at all

necessary, and that we should not lose about Rs. 1.5 crores that is going to accrue to us by the withdrawal of this rebate. The undistributed profits were also used for issue of bonus shares. The result was that they escaped taxation.

SHRI H. N. KUNZRU: Can the bonus shares be issued except with your consent?

SHRI M.C. SHAH: But they were issued, and did not pay any tax. Therefore, it was considered necessary to tax these bonus shares, because they are, really speaking, out of the accumulated profits which escaped taxation. We discussed this question very carefully and we thought that it was absolutely necessary to tax these bonus shares. And thereby we will be getting Rs. 50 lakhs or so. Now, if the companies do not want to pay that tax, they need not issue any bonus shares. They are not forced to issue bonus shares. They may keep those accumulated profits with themselves without giving any bonus shares to the shareholders. But if they want to distribute these profits by issuing bonus shares, they must pay the necessary tax. Now, with regard to the dividends also, we thought that when the profits were so high, we could legitimately get a part of those profits? Therefore, we thought it advisable to tax the dividend to the extent of two annas when it was more than 6 per cent and three annas when it was more than 10 per cent. Perhaps the object that Dr. Kunzru has in mind will also be achieved, if they want to expand, and not give away all those profits as dividends, naturally they will not pay any extra tax if distribution is less than 6 per cent

SHRI H. N. KUNZRU: I did not say one word about the tax on high dividends

SHRI M. C. SHAH: But somebody said it

SHRI H. N. KUNZRU: I am not responsible for what somebody else says. «

SHRI M. C. SHAH: What I want to say is that their object will be served even by this method. If they are making very very huge profits, as is admitted by one of the industrialists here, then I feel that the Government must have some share out of those profits, and this is the least objectionable method of taking a share in those profits. And therefore, I say that these taxes are quite justifiable and cannot be criticised by anybody.

Now, Sir, about the bonus shares, my friend, Shri Chandulal Parikh.....

SHRI H. N. KUNZRU: My hon. friend has not replied to one point, and that is with regard to the comparison of the economic burden of the excise duty on salt with the excise duty on edible oils.

SHRI M. C. SHAH: Sir, where is the question of excise duty on salt? That is a hypothetical question.

SHRI H. N. KUNZRU: I enquired whether it would be examined.

SHRI M. C. SHAH: I do not think I can say anything definitely with regard to that point. Personally I do not think that we should again levy an excise duty on salt. That is purely my personal view.

Then, Sir, Mr. Chandulal Parikh said that redeemable preference shares should not be issued. But I go further and say that we have stopped giving permission for preference shares for the last four years. I had examined this matter and I had found that even before that period there were only one or two cases where permission had been given. Now that is the position, as far as I have been able to examine the matter. If you have got any lists or any authentic information, then only you can question the information that I have got. But at present I have got the information from the Department itself, and I find that there are only one or two

cases where redeemable preference shares were given as bonus shares, and this had happened four years ago.

Redeemable preference shares come within the category of preference shares, and so far as preference shares are concerned, we have made specific orders that no preference shares will be allowed.

Now, Sir, I would like to take only five minutes and deal with clauses 18 and 20 of the Bill. Sir, my friend, Mr. Bisht, was rather kind enough to say that we are taking steps to punish the corrupt officials. And he was prepared to give co-operation in order to enable the Government to get as much money as possible. But he was not agreeable to clause 18 seeking to amend section 34 of the Income-tax Act. Perhaps, he must be knowing the background of this. I think, he knows that there was the Income-tax Investigation Commission Act passed and that was challenged. 5(4) was declared *ultra vires*. Then 5(1) was declared *ultra vires*. We brought in 34 (1A) to rope in all the tax-evaders. In all 200 cases were disposed of. There are so many settled cases. We brought in 34 (1A) and we specifically stated that it was only with the permission of the Central Board of Revenue, that a case can be reopened. Now 34(1A) is also challenged. And therefore, we have provided that from the assessment year 1940-41, we can reopen those cases, if there is a concealed income of Rs. 1 lakh with the approval of the Central Board of Revenue. I do not think that he wants that all those tax-evaders who have deliberately evaded payment of tax on their concealed incomes should be allowed to go scot free. Therefore 34(1) (a) has been amended. Where there is deliberate concealment or fraud played on the Government of India or avoidance of tax. I do not think that any person who agrees that they should be punished can have any objection to this amendment.

SHRI J. S. BISHT: We have no objection at all. The only question is j that there should be some surety that the power is not misused by corrupt officials.

SHRI M. C. SHAH: I can assure hon. Members that we are always vigilant. There can be no harassment. If there is any harassment, and if hon. Members bring such cases to our notice with definite information, we are prepared to take action.

Now, in regard to clause 20 about the seizure of books: He knows and so many other hon. Members also know that there are two sets of accounts kept by certain people, just to avoid paying the just dues of the Government, and in order to have a deterrent effect on such persons, we have taken these powers. Such powers are also there today for the Sales Tax authorities in the States. They were there in the Income-tax Investigation Commission Act. The Commission used these powers only in two cases. We also propose to use these powers very sparingly, and therefore we have provided that the Income-tax Officers must be satisfied and they must also take the approval of the Commissioner of Income-tax. The Commissioners of Income-tax are very responsible highly placed officers in the hierarchy of the Income-tax Department, and I am sure that these powers will be used only sparingly whenever it is absolutely necessary to do so. Hon. Members may not be aware that there are certain classes of people who do not hesitate to steal away the account books that were produced before the Income-tax Investigation Commission. There are certain people who will burn their account books when they are about to be seized, and we have to deal with this section of people. May be they are few, exceptionally few, but still we have to deal with them. There is not much time; otherwise, I would have given you instances. Hon. Members would be amazed to know that one person, who had to pay heavy income-tax, when the authorities went to attach his ,

motor car worth about Rs. 25,000 or so, broke that motor car to pieces. He said that he would not allow his motor car to go to the Income-tax Department.

SHRI H. P. SAKSENA: He must have been very much attached to his motor car.

SHRI M. C. SHAH: There is one party who says, 'I have got money, lakhs and lakhs of rupees, but I will not give a single pie to you. I will take you to the High Court, to the Supreme Court'. There are so many writs, mandamus and others, and all these are resorted to. So, we have to take extraordinary powers to deal with extraordinary situations and with extraordinary people.

SHRI H. C. DASAPPA: The hon. minister is quoting a very exceptional case and drawing a general rule out of it. Can he quote another instance from anywhere in India?

MR. DEPUTY CHAIRMAN: What he says is that these extraordinary powers will be used only in such exceptional cases.

SHRI H. C. DASAPPA: He is just giving a solitary case.

SHRI M. C. SHAH: The Sales Tax authorities have got similar powers even today. If the ex-Finance Minister of Mysore is in a position to contradict that, then I will be glad to have that information from him. If in the Sales Tax legislation there is such a power, I don't see why in the Income-tax law, where lakhs and lakhs are involved, we should not have this power. I don't think that anybody should grudge this power to the Income-tax authorities.

DR. SHRIMATI SEETA PARMANAND: May I ask a question?

SHRI M. C. SHAH: I am sorry.

About deficit financing, I think that enough has been said about it by the Finance Minister. Also the Planning Commission's report will be coming in for discussion. This Bill

has to go to the Lok Sabha before 5 P.M. Otherwise we will be in difficulties. Tomorrow the Lok Sabha is not sitting.

DR. SHRIMATI SEETA PARMANAND: How many names have been published of tax evaders?

SHRI M. C. SHAH: The learned lady must be knowing because she is a Barrister also, that there is section 54 of the Income-tax Act which prohibits the giving of names to anybody outside.

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill to give effect to the financial proposals of the Central Government for the financial year 1956-57, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

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

Clauses 2 to 38 the First, Second, Third and Fourth Schedules, clause 1, the Title and the Enacting Formula were added to the Bill.

SHRI M. C. SHAH: I move;

"That the Bill be returned."

MR. DEPUTY CHAIRMAN: The question is:

"That the Bill be returned." The motion was adopted.

ALLOTMENT OF TIME FOR CONSIDERATION OF THE MOTIONS FOR REFERENCE TO JOINT COMMITTEE OF THE HOUSES OF THE STATES REORGANISATION BILL, 1956 AND THE CONSTITUTION (NINTH AMENDMENT) BILL, 1956.

MR. DEPUTY CHAIRMAN: Before we go to the next Bill. I have to inform hon Members that the Business Advisory Committee at its sitting held

today has allocated time as follows for the consideration by the Rajya Sabha of the motions for reference to Joint Committee of the Houses of the States Reorganisation Bill, 1956, and the Constitution (Ninth Amendment) Bill, 1956.

1. The States Reorganisation Bill, 1956. ... 10 hrs.

2. The Constitution (Ninth Amendment) Bill, 1956. ... 5 hrs.

The Committee has also recommended that the House should dispense with the lunch hour on the 30th April and the 1st and 2nd May 1956.

THE TRAVANCORE-COCHIN APPROPRIATION (VOTE ON ACCOUNT) BILL, 1956.

THE MINISTER FOR REVENUE AND CIVIL EXPENDITURE (SHRI M. C. SHAH) : Sir, I beg to move: "That the Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of the State of Travancore-Cochin for the service of a part of the financial year 1956-57, as passed by the Lok Sabha, be taken into consideration.

The Budget of the Travancore-Cochin State for 1956-57 was presented to the Legislative Assembly of the State on the 9th March 1956. Owing, however, to the resignation of the Ministry shortly thereafter it could not be proceeded with further there, and it has to be dealt with by the Parliament by virtue of the Proclamation issued by the President under article 356 of the Constitution on the 23rd March, 1956. For the present supplies for meeting the estimated expenditure for the first three months of the year 1956-57 have been asked for and approved by the Lok Sabha. The connected Appropriation Bill was passed by that House in its sitting on the 29th March 1956, and as the Rajya Sabha was not in session and as expenditure had to be incurred from