

THE APPROPRIATION (VOTE ON  
ACCOUNT) BILL, 1954

THE DEPUTY MINISTER FOR FIN-  
ANCE (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 India for the service of a part of the financial year 1954-55, as passed by the House of the People, be taken into consideration"

Sir, I do not think I should make any speech on this vote on account. This is provided for under the Constitution under article 116. As some time is taken for voting the Demands for Grants in the House of the People, the Government have to carry on and therefore this is a proposal for Vote on Account. It has been passed by the House of the People and that Appropriation Bill I propose here to move for consideration. Ordinarily we ask for funds for one month. Ordinarily the Demands for Grants will be voted by the Lower House by the third week of April.

SHRI P SUNDARAYYA (Andhra)  
It is not Lower House

MR CHAIRMAN The House of the People

SHRI M C SHAH Yes, the House of the People. They will be voted by the third week of April and the President's assent will be obtained by the 28th April and therefore the Constitution also has provided for this Vote on Account. So I move this for the consideration of the House.

MR CHAIRMAN Motion moved

"That the Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the service of a part of the financial year 1954-55, as passed by the House of the People, be taken into consideration"

SHRI P SUNDARAYYA Mr Chairman, before the taxation proposals that are there in the Budget are decided upon and we know ultimately what the Government proposes to do with those obnoxious taxation proposals which we have opposed on the floor of this House, it is very difficult for us even for this one month to support this Vote on Account. Sir, after the announcement of these taxes on soap, on betel-nut, on artificial silk, on footwear etc. already many shops are being closed and many memoranda are being submitted to the Government. We don't know what the Government proposes to do. In fact the Government officials are going round in Delhi itself where we are living and they are threatening the various footwear shop-keepers as well as other small shop-keepers saying that the Government is going to levy excise on those shops on the footwear etc., and that therefore they have to seal even now. Though the Act is not yet passed, the Government is taking such steps and creating a lot of unrest and distress among these people. So we want to know whether Government, in view of the various memoranda they are getting, are going to change their taxation policy and not resort to these taxes and if they want money, let them come with new taxation proposals for taxing the rich who can certainly pay the money for our development schemes.

Secondly the Government also has not yet come with any definite policy regarding export and trade policy especially in connection with the tobacco question which has been agitating the Guntur District of Andhra, though we have been agitating on this that the Government should come to a long-term trade agreement with whichever country is prepared to take tobacco and give in return machinery etc. which our country needs, the Government refuses to take any steps, and recently, as late as yesterday, we have read in the papers that the Andhra Government itself has approached the Central Government—though it is also

[Shri P. Sundarayya:]  
 a Congress Government—and said that 30 million pounds of tobacco are lying in Guntur and unless some steps are immediately taken, the whole peasantry in that district will be ruined. So we want to know what the Government propose to do in order to see that all this tobacco is sold. Similar is the case of onions in that place. There onions are selling at the rate of 2 mds. for Rs. 6 whereas in the South East Asian countries the same quantity is being sold at Rs. 60. This shows how meagre the purchasing power of our people is today. Onion certainly is one of the foodstuffs which is absolutely essential. But in spite of the low price of Rs. 6 per 2 mds., this cannot be sold in our country. It shows how tremendously low is the purchasing power of our people today. In spite of that position, the Government instead of coming forward with proposals to increase the purchasing power of the masses, has had recourse to taxation on the people who have to use washing soap, who have to wear footwear etc. and they refuse to tax the rich people.

My third point is this. The Government talks so much about their development schemes. Certainly we want all the development schemes to be finished as early as possible. But unfortunately, the policies which the Government has been adopting towards labour in these development schemes, especially in these project areas, are so bad. In fact, on the floor of this House, the Minister for Planning had to admit that conditions at Hirakud were so bad that they had to give repeated instructions to the authorities there to see that the demands of labour there were satisfied. But even now the improvements that had been asked to be carried out there have not yet been carried out. At Hirakud, only a few months back there was a strike and the police were very promptly on the spot, beating took place and three workers died. Again today we read and here is a telegram just received which reads:

“Durgapur D. V. C. workers on strike after giving legal notice. Police Lathi Charge peaceful workers. Four including two women wounded. Hundred arrested. Many warrants issued. Area under strong Military Cordon. Stop this repression. Release all the leaders workers Fulfil legitimate demands immediately”.

This is the way in which these development schemes are being worked. The Minister on the floor of the House had to say that conditions of labour in Hirakud and other places were not satisfactory and in spite of repeated memorandums they had not taken any steps to improve matters and when the workers are forced, in defence of their human rights and in order to get meagre food, to go on strike, the military is promptly sent to the spot to suppress them. Sir, we want to know whether the Government is going to take any steps to see that at least the minimum demands of the workers, especially in the project areas, are met. Are they going to do that, or are they going to resort to military repression so that their prestige or their authority could be safeguarded, irrespective of what the demands of the workers may be.

The fourth point which I would like to bring to the notice of the Government is the undemocratic manner in which they have been behaving. Recently we had in Travancore-Cochin the elections. The fight there, as we all know, has been very close. When the Opposition got 59 seats, the Rajpramukh there, under the advice of the Home Minister, with the permission of the Home Minister of the Government of India, nominates an Anglo-Indian under a constitutional provision—a person who had been a Congress member in the last Assembly in Travancore-Cochin—and thus they want to nullify the verdict of the electorate. They try to do this by nominating this person, a Congress member, who had been defeated in the election, who could not get a majority in the election, under the advice of the Home

Minister and with the permission of the Home Minister The Rajpramuka has done this which has created a deadlock there and it is making it impossible for the democratic element to form the government which the people there so much desire for Sir, if the Constitution is to be

MR CHAIRMAN All this on a Vote on Account Bill?

SHRI P SUNDARAYYA Certainly, Sir They ask for the money and though it is a

SHRI M C SHAH The Appropriation Bill will come

SHRI P SUNDARAYYA Then we will be taking another chance When that Bill comes up there will be more sins accumulated on the part of the Government and we will require more time As I was stating just now, this is the undemocratic manner in which they are working the Constitution, the very Constitution that had been drawn up by their own party When these things are going on, I wonder with what face the Government comes forward asking us to give our support even to this Vote on Account Bill Unless they stop these things, unless the Government assures us that these anti-labour policies will be stopped, unless they give up their pro-rich policies, unless they really adopt a policy in the interest of the people themselves, it is very difficult for us even to support this Vote on Account Bill and sanction the money they ask for

SHRI H P SAKSENA (Uttar Pradesh) Mr Chairman, though I scratched my head and tried my level best, I could not see or understand what connection this measure—this Vote on Account Bill—had with the Travancore-Cochin elections and the taxing of the rich people and not the poor This I could not understand and

SHRI B RATH (Orissa) If you continue to look at it that way you will never see

SHRI H P SAKSENA The money has got to be given, because if they do not get the money, how are the poor workers in the Government to be paid? They will go without their salary in the month of April and therefore the money has to be obtained and this is a Vote on Account Bill, a simple adjustment Bill which empowers the Government to draw some money out of its own but which according to the rules, they cannot touch unless this Bill is passed

And as we know, to our cost and to our misfortune, we have no voice in monetary matters In financial matters we have absolutely no voice Our job is simply to ditto the Bill for the Vote on Account, as it has been passed by the House of the People

So far as taxing the rich is concerned, I may say that I am absolutely at one with my hon friend Shri Sundarayya but this is not the opportunity for it Is there any taxation measure, any measure for taxing the rich before the House now? There is none Therefore, I do not see any reason why this permissive measure, this adjusting measure should be opposed, unless of course it was only to ventilate the hon Member's own whimsical and fanciful grievances that he came forward and stood up to oppose this Bill Otherwise he could have very well given his consent to the measure which as he knows very well, cannot be stopped So, I support this measure.

SHRI KISHEN CHAND (Hyderabad) Mr Chairman, it is absolutely obvious that there cannot be any discussion on this Appropriation Bill or Vote on Account But we take this opportunity to remind the hon the Finance Minister of his closing words when he wound up the general debate on the Budget He said that he kept an open mind and was going to consider the question of these excise duties In view of the fact that there have been widespread representations from various sectors of the business community that

[Shri Kishen Chand.]

by the levy of excise duties on soap, on leather goods and on artificial silk you are going to hit the industries and that this may lead to the closure of certain factories and to unemployment, I think it would be far better if we suggest to the hon. Finance Minister that instead of levying a duty of Rs. 5 per ton on cement he should increase the rate of duty to Rs. 10 per ton and by that extra duty on cement, he may avoid the excise duty on soap, leather goods etc. I would like to remind the hon. Finance Minister that he could thus have avoided any excise duty on leather goods, soap and artificial silk which are going to be consumed by the poorer sections of society and are going to hit our industries very hard, increased the excise duty on cement and possibly on superfine cloth or matches or some such other things which are not consumed by the poor people and which are already being taxed.

DR. SHRIMATI SEETA PARMANAND (Madhya Pradesh): What? Matches are not being consumed by the poor?

SHRI KISHEN CHAND: I only gave it as a sort of an example; I did not lay special stress on matches, but I was only thinking of superfine cloth.

(Interruption.)

I will withdraw the words "on matches" but will be satisfied with a duty on cement or motor cars. A special levy may be made of excise duty on motor cars and thereby you can make up for any loss from the excise duty which is going to be levied on artificial silk, soap and shoes.

SHRI B. GUPTA (West Bengal): Mr. Chairman, this is a Vote on Account and therefore we must take only a few items in this Bill.

First of all, I would like to draw the Finance Minister's attention to the fact that hundreds of refugees are returning from Bihar and Orissa, where they had been earlier sent, to

West Bengal. Most of them are with no shelter whatsoever. Some of them, several hundreds, I think were camping in front of the Assembly House and unfortunately the Government of West Bengal, instead of trying to find shelter for them, put them under arrest and consigned them to jail custody. So, it is the duty of the Central Rehabilitation Ministry to see to it that these refugees are well provided for and well looked after, particularly in view of the fact that the money granted by the Central Government is granted precisely for affording relief to these refugees. We find that after having arrested nearly 350 refugees who had been sheltering under the bare sky, Dr. Roy is telling the Bengal Assembly that he had taken them into custody for finding shelter for them. Sir, that would be a most cynical way of dealing with so vital a question as the refugee question. Sir, we hope that the Central Government will see to it that these people are all immediately released from prison and that proper shelter is found for them with a view to rehabilitating them in normal life.

I should like to add here, Sir, that the scheme of Government which was enunciated some time back for sending the refugees from West Bengal to various other States has totally failed, because the Government did not really have a proper rehabilitation policy. Besides, Sir, it is possible to rehabilitate these refugees in West Bengal. There is plenty of accommodation for them, if the Government will only care to find shelter for them. We have got ninety thousand refugees in the refugee camps; even today, so many years after the partition of Bengal. We have still these ninety thousand people living under inhuman conditions, conditions worse than in prisons, in the so-called relief and rehabilitation camps. They have to be liberated from those camps for a better life and for them money has also to be found.

Then, Sir, I come to the question of grants under the Education Ministry. We understand, Sir, that the

Education Ministry is making certain grants and I would like here to draw the attention of the House and of the Government to the fact that the Secondary School teachers of West Bengal have not been given at all a fair deal. They demand a certain dearness allowance to the extent of Rs. 35 and out of this, they are only getting Rs. 10 and another Rs. 7-8-0 for this year only. Goodness alone knows what will happen to it next year. Now, Sir, it is possible for the Central Government to come into the picture and find a little more money so that the West Bengal Secondary School teachers may be given the full dearness allowance that they demand. We understand from the proceedings of the West Bengal Assembly and from public statements made by different leaders that if some money were found from the Central Government funds, the West Bengal Government would not hesitate to meet the very just and legitimate demands of the Secondary School teachers. I think, Sir, it is the duty of the Central Government, in the interests of education and culture to see that the demands of the Secondary School teachers, both in regard to dearness allowance and pay are met. If money is required for that purpose, it should be found from the Central Exchequer. I would only like to add, here, Sir, that when money is provided to such people like those gentlemen who sit in the Council of Ministers of West Bengal, it should be seen that the money is spent really for welfare purposes and in this case it is essential for the Government to ensure that the grants they may make to the State Government is spent for the well being of the teachers and of the students.

MR. CHAIRMAN: That will do, Mr. Gupta. I will call on Mr. Shah.

SHRI B. GUPTA: I will finish soon, Sir. Rice is a very important thing. About two or three days ago, an hon. Minister came here and gave us wonderful news that the country was so full of crops that soon rice would

be exported out of India. Before the gentlemen resort to exporting rice, for which they are planning, Sir, may I draw the attention of the House to the fact that today even in Calcutta—which is supposed to be a rationed area—rice is selling very dear, at Rs. 17/8 per maund, which is beyond the means of the average consumer, and also to the fact that the quality of the rice is simply abominable, unedible by human beings—absolutely unfit for human consumption. I would like the hon. Ministers, if they have so much rice in their stocks, to disgorge some of their stock at a reasonable price so that the people of Calcutta can get better rice, in greater quantities and at a price much less than what it is today.

MR. CHAIRMAN: That will do. Mr. Shah.

SHRI M. C. SHAH: Sir, this is a Vote on Account and I thought there would be no speeches and no discussion.

Now, as my friends have spoken. I have taken note of all these questions that they have raised and at the time of the discussion of the Appropriation Bill and the Finance Bill, all these points will be looked into. I do not propose to reply to all these points.

SHRI B. C. GHOSE (West Bengal): There is time left.

SHRI M. C. SHAH: It does not require any reply at this moment.

SHRI B. GUPTA: It does.

SHRI M. C. SHAH: The Appropriation Bill will come before this House and that it will be debated for two or three days; the Finance Bill will also come up before this House and that will also be debated for two or three days. All the points raised by Mr. Sundarayya will have to be replied to then.

SHRI KISHEN CHAND: On a point of order, Sir. Will you allow two or three days for the Finance Bill, Sir?

MR. CHAIRMAN: No, I think he is committing Government to all sorts of things.

SHRI M. C. SHAH: I do not propose to reply now.

MR. CHAIRMAN: Do not say that the Appropriation Bill will get two or three days or that the Finance Bill will get two or three days.

SHRI M. C. SHAH: No, Sir, it is for you to decide. Some points will be raised then. If they do not raise any then we will reply to these points raised today.

SHRI P. SUNDARAYYA: The strike at the D. V. C. cannot wait till we discuss the Appropriation Bill.

MR. CHAIRMAN: The question is:

"That the Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the service of a part of the financial year 1954-55, as passed by the House of the People be taken into consideration."

The motion was adopted.

MR. CHAIRMAN: Now we take up clause by clause consideration of the Bill. There are no amendments of which notice has been received.

Clauses 2 and 3 and the Schedule were added to the Bill.

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

SHRI M. C. SHAH: Sir, I beg to move:

"That the Bill be returned."

MR. CHAIRMAN: Motion moved:

"That the Bill be returned."

We started at 3-15 P.M. and we should end at 3-45 P.M.

SHRI B. C. GHOSE: There are seven minutes, Sir.

MR. CHAIRMAN: The Minister will have to reply.

SHRI P. SUNDARAYYA: He does not reply, Sir.

SHRI B. GUPTA: He does not reply, Sir, he is here only to listen.

Sir, before the Bill is returned, I have something to say about the department which is responsible for the collection of income-tax in this country. I would like to draw the attention of the Finance Minister, if I may, to the fact that his Income-tax Department needs to be very greatly overhauled, since there is a good deal of tax-dodging by the people high up in industry and trade. Sir, recently very serious allegations have been made on the floor of the West Bengal Legislative Assembly by a very important Member of the Praja Socialist Party in which he made certain very definite allegations against certain firms ...

MR. CHAIRMAN: We cannot quote those proceedings.

SHRI B. GUPTA: The hon. Minister should know these things, Sir. He does not read these things and unless we tell him he may not know it at all. I know you know it, Sir, and so it is redundant for you.

MR. CHAIRMAN: Please don't refer to any proceedings.

SHRI B. GUPTA: Serious allegations have been made with regard to one firm, Sir. That hon. Member declared that "Birla's Orient Paper Mills admitted before the Income Tax Enquiry Commission that it had evaded income-tax to the tune of Rs. 40 lakhs. The Commission, however, held that the total amount of income-tax evaded was about Rs. 2 crores."

Referring to Loyalkas, the same Member said that "they evaded Rs. 40 lakhs as income-tax. This calculation revealed that they kept the sale of goods worth Rs. 6 crores 40 lakhs secret

from the Government and evaded a total of Rs. 30 lakhs in sales tax"

Shri Chatterjee further declared

MR CHAIRMAN Mr B Gupta at this stage you can only oppose the motion 'that the Bill be returned'

SHRI B GUPTA I oppose the waste of money Sir and this tax-dodging This Income-tax Department, I wish to make it very clear, should be very much looked into because there are certain elements in that department who are in league with such people That enables these men high up in the business to evade income-tax When public allegations are made from the floor of the House the Ministers get excited and I find the Deputy Minister here getting excited I can not help it

SHRI M C SHAH This is not the time for you to go on with these When the demand comes you may go on and I will reply to you

SHRI B GUPTA I won't further embarrass him by talking about the Birlas I know where it hurts Now about the use of the Preventive Detention Act, which is a Central measure

MR CHAIRMAN What has that to do with the motion before the House?

SHRI B GUPTA It is because, Sir, the Home Department is being given money I would request you, Sir, not to prejudge my

MR CHAIRMAN All that I can permit you is to say anything relevant to the opposing of the motion 'that the Bill be returned'

SHRI B C GHOSE He wants to show, Sir, that the money spent on the police

MR CHAIRMAN You need not come to his help He is quite capable

SHRI B GUPTA I hope the Preventive Detention Act will not be

used against political workers, as is being done in West Bengal where some people are still under detention

SHRI M C SHAH Sir I have nothing to say If there is anything to be said it will be at the proper time, namely, when the Appropriation Bill and the Finance Bill come up for discussion

MR CHAIRMAN The question is:

"That the Bill be returned"

The motion was adopted

MR CHAIRMAN Tomorrow we meet at one o'clock We will have some time for winding up the proceedings about the Marriage Bill, etc

# THE APPROPRIATION (RAILWAYS) NO 2 BILL, 1954

[MR DEPUTY CHAIRMAN in the Chair]

THE MINISTER FOR RAILWAYS AND TRANSPORT (SHRI LAL BAHADUR) Sir, I beg to move

"That the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the financial year 1954-55 for the purposes of Railways, as passed by the House of the People, be taken into consideration"

Sir, there has been a full discussion in this House and the other House on the Railway Budget I have nothing to say while moving this motion but I shall with your permission, reply to the points raised during the discussions which will be held just now

MR DEPUTY CHAIRMAN Motion moved

'That the Bill to authorise payment and appropriation of certain sums from and out of the Consolidated Fund of India for the service of the financial year 1954-55 for the purposes of Railways as passed by the House of the People, be taken into consideration"