

[Shrimati V. Jeyalakshmi]

crop loan, he is charged penal interest. To avoid all these anomalies, regional, rural banks were started, but what is happening there? There also, the same situation is prevailing. Money had been collected in the name of deposits in the rural areas, but that money has been drained to the urban areas.

MR. CHAIRMAN: Please conclude now. You will force me to call the next speaker.

SHRIMATI V. JEYALAKSHMI: A sum of Rs. 193 crores has been allotted to rural industries, but the question is what kind of industries are to be started and who would be the beneficiaries? Even the existing industries like handlooms, match industry etc., are all crippled and are in need of marketing facilities. The handloom industry is not able to compete with power looms. The recommendations of the Sivaraman Committee have not been implemented yet.

MR. CHAIRMAN: I am sorry I have to call the next speaker.

SHRIMATI V. JEYALAKSHMI: Before concluding my speech, I request the Minister to withdraw the taxes on kerosene, bidis and washing soap. He could very well collect this amount by taxing the social evil of alcohol and by a vigorous drive in the collection of arrears of taxes which has amounted to Rs. 1000 crores.

SHRI G. BHUVARAHAN (Cuddalore): There is no quorum.

MR. CHAIRMAN: The quorum bell is being rung. Now there is quorum. Shri Purnanarayan Sinha can start his speech.

SHRI PURNANARAYAN SINHA (Tearur): Madam Chairman, some eight weeks ago, when Mr. Charan Singh took over as the Deputy Prime Minister and as the Finance Minister, he made it clear to the State Chief Ministers that he would make it an ag-

ricultural-based, a Missions-based, budget. The budget that has been presented before the House is an admirable job on the part of Mr. Charan Singh and every feature of it makes good economics sense. I congratulate him for presenting such a budget. It is better than the one which was presented by the former Finance Minister, last year.

17.15 hrs.

[SHRI DHIRENDRANATH BASU in the Chair]

He has given relief to the agriculturists to the tune of Rs. 280 crores in granting tax-free on unmanufactured tobacco and other things. He has left Rs. 1355 crores as uncovered deficit. At the time when we are formulating the Sixth Plan, we need money. We have also got to give some relief to the agriculturists of the country....

SHRI G. BHUVARAHAN: There is no quorum again..

MR. CHAIRMAN: Let the quorum bell be rung.

17.25 hrs.

STATEMENT CLARIFYING ANSWER GIVEN TO S.Q. NO. 322 RE. PERCENTAGE OF COAL MINES AFFECTED BY FLOODS

MR. CHAIRMAN: Now, there is quorum. Before the hon. Member continues, the Energy Minister, Mr. Ramachandran, will make a statement to clarify certain points.

THE MINISTER OF ENERGY (SHRI R. RAMACHANDRAN): Mr. Chairman, Sir, I thank you for the permission you have given to make a brief clarificatory statement regarding an answer given by me in reply to a supplementary question put by Shri Krishna Chandra Halder this morning in relation to the Starred Question No. 322.

included in the Question Paper for today about the percentage of coalmines affected by floods. In reply to a specific question by the hon. Member, I said that nobody lost the job because of the floods. I also added, 'They only did not have work for some days and no worker was laid off during the floods'. But according to the information I received later, it appears that a minimum number of workers were laid off for some time. This information, I thought, I should share with the House..

#### GENERAL BUDGET, 1979-80—GENERAL DISCUSSION—Contd.

MR. CHAIRMAN: Mr. Purnanarayan Sinha will continue his speech.

SHRI PURNANARAYAN SINHA: As I was saying, there is a steep rise in the taxation of the urban middle class. We have seen, over the years, that the lot of the urban middle class has improved to a considerable extent in spite of the mixed economy and control at various stages. It may be recalled that the consumption of petrol, the price of which was steeply raised due to the necessity of importing crude from Middle East countries at a higher price, has instead of falling down, risen to a greater extent. The living standard of the urban middle class has gone up over the years and they are purchasing more cars and scooters. From this it will be seen that the middle class of India today is not the same as it was ten or fifteen years ago. Therefore, how the middle class may be considered as hard-hit by the steep rise in the taxation. But when we need money for the purpose of financing the Sixth Plan, which is a very comprehensive and a broad one and which is mostly for the benefit of the rural poor, the middle class should not mind paying a little more by way of taxation. In comparison to other countries of the world, taxation in India, should I say, is lower in the sense that the commodities which can be purchased elsewhere at much higher prices are being sold in India at comparatively low prices.

But then considering the lot of the poor people, the poorest of the poor in the rural areas, there is reason to think that, perhaps, the budgetary proposals would not benefit the poorest people in the country. For example, the excise duty on fertiliser has been reduced. But fertilisers will be purchased only by the people who use power tillers, tractors, and so on, who do large scale cultivation, the rich farmers, the well-to-do-farmers, the organized farmers, the farmers in the plantations like tea, coffee and rubber. It is only those farmers who use fertilisers who will be benefited by this. But 90 per cent of the cultivators of the country do not use power-tillers. They use ploughs and bullocks. They do not have the means to use that much of fertilisers as may help them to earn a little more money. In the same sense, people who depend on things like kerosene, LPG which now costs Rs. 2.50 more per cylinder which is used mostly by the urban middle class, people will be affected. For the poor people kerosene stove is the only cooking instrument. They will be hard hit. At the same time, people who smoke Bidi and cigarettes will have to pay more. Then take the detergent. This is considered to be a daily necessity of people. It is needed by the rich as well as the poor. In our area the poor people used to dray up the bananas and make some kind of an ash called Kola Khar and used it as a detergent but, by and large, people these days use the soap. Surf and some other detergents are commonly used in all Indian homes. There also the tax hike will be felt. Therefore, there is sufficient weight in the argument put forward by the members both from this side as well as from that side that these common consumer goods like kerosene, detergent, soap, bidi, tobacco and things like that should not have been taxed. I hope at the same time, as our Railway Minister has done—Prof. Dandavate brought down in a dandavat to the people all the fares he has raised for the commuters by 40 per cent—in the same way our Chandhary Sahab also will completely