

Sadhu Ram, Shri  
Saha, Dr. S.K.  
Sahu, Shri Rameshwar  
Saigol, Shri A.S.  
Samanta, Shri S.C.  
Samnani, Shri  
Sanji Ruoji, Shri  
Saraf, Shri Sham Lal  
Sarma, Shri A.T.  
Satyabhama Devi, Shrimati  
Sen, Shri P.G.  
Shah, Shri Manabendra  
Shah, Shrimati Jayaben  
Shaktintala Devi, Shrimati  
Sham Nath, Shri  
Shankaraiya, Shri  
Sharma, Shri A.P.  
Sharma, Shri D.C.  
Sharma, Shri K.C.  
Shashi Ranjan, Shri  
Shastri, Shri Ramanand  
Shro Narain, Shri  
Shinde, Shri  
Shree Narayan Das, Shri  
Shukla, Shri Vidya Charan

Shyam Kumari Devi, Shri  
Siddananjappa, Shri  
Siddhanti, Shri Jagdev Singh  
Siddiah, Shri  
Sidheshwar Prasad, Shri  
Singh, Dr. B.N.  
Singh, Shri K.K.  
Sinha, Shrimati Ramdulari  
Sinha, Shri Satya Narayan  
Sinha, Shri Satya Narayan  
Sivapraghassan, Shri Ku.  
Snatak, Shri Nardeo  
Solanki, Shri  
Sonavane, Shri  
Soundaram Ramachandran,  
Shrimati  
Srinivasan, Dr. P.  
Subbaraman, Shri  
Subramaniam, Shri C.  
Subramanyam, Shri T.  
Sumat Prasad, Shri  
Sunder Lal, Shri  
Surendra Pal Singh, Shri  
Surya Prasad, Shri  
Swamy, Shri M.P.  
Swell, Shri

Tabir, Shri Mohammad  
Tantia, Shri Rameshwar  
Thengal, Shri Nallakoya  
Thimmaiah, Shri  
Thomas, Shri A.M.  
Tiwary, Shri D.N.  
Tiwary, Shri K.N.  
Tiwary, Shri R.S.  
Tripathi, Shri Krishna Deo  
Trivedi, Shri U.M.  
Tula Ram, Shri  
Tyagi, Shri  
Uikey, Shri  
Ulaka, Shri Ramachandra  
Umanath, Shri  
Upadhyaya, Shri Shiva Dutt  
Varma, Shri M.L.  
Varma, Shri Ravindra  
Veeresahasappa, Shri  
Verma, Shri Balgovind  
Virbhadra Singh, Shri  
Vyas, Shri Radhelal  
Wadiwa, Shri  
Yadav, Shri N.P.  
Yadav, Shri Ram Harkh  
Yadava, Shri B.P.

श्री रंजय सिंह (मुसाफिरखाना) :

मेरो मशीन काम नहीं कर रही है ।

अथवा महोदय : अच्छी बात है ।

आगे से ठीक काम करेगी ।

The result of the division is: Ayes—306; Noes—None. The 'Ayes have it'; the 'Ayes' have it. The motion is adopted by a majority of the total membership of the House and by a majority of not less than two-thirds of the Members present and voting. The Bill, as amended, is passed.

*The motion was adopted.*

15.45 hrs.

MOTION RE: PRESENT ECONOMIC SITUATION IN THE COUNTRY  
—contd.

**Mr. Speaker:** The House will now take up further consideration of the following motion moved by Shri Sachindra Chaudhuri on the 26th July, 1966, namely:—

"That the present economic situation in the country be taken into consideration."

1244 (A) LSD—10.

Shri K. C. Sharma may continue his speech.

**Shri Surendranath Dwivedy (Kendrapara):** How many hours more?

**Mr. Speaker:** Five hours and 20 minutes.

15.46 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

**Shri K. C. Sharma (Sardhana):** Sir, yesterday I was dealing with the question of morale of administration. In continuation thereof I may read the comment in the survey of the Public Administration Institute. They say:—

"The ever-present preoccupation with corruption throws up certain interesting questions about national psychology. What is it that makes us assume the worst about the other man, especially if he has a Government post? What is it that makes us tackle any question about job or application or permit or licence in terms of "bribes" or "pulls" or "political influence"? In our law courts we assume every man to be innocent until he is proved to be guilty; in our social life we seem to assume, the contrary."

[Shri K. C. Sharma]

There is the psychology of doubting the morale of the public servant and the administration. It is not only the order of appointment, the acceptance of the appointment and the working at the job that makes a public servant do his job; in addition to remuneration he must have a certain prestige. The moment anybody stands up and says, "The fellow is corrupt; the fellow is inefficient", his morale breaks down. Therefore, it is in the interest of good administration and public welfare that before we accuse a man, we ascertain the facts and we are sure of our ground. It is a very bad thing that a gentleman with the responsibility of an elected representative of the people stands up and says without verification as a general proposition that everybody is corrupt, that everybody is a looter, that there is loot, bribery, and corruption going on all round. There is no such thing. Had this been true, this democracy would not have lasted for 19 years. How could it last? How could it continue? How could the administration be run if the facts were as certain hon. Members put them? It pains me to observe that some of the gentlemen do not realise their sense of responsibility.

An hon. Member made certain points which were not in good taste but for his information—unfortunately, he is not present—I read Spengler, a very famous writer. On page 82, Volume II, he says:

"Romans created juristic statics. Our task is juristic dynamics. A writer like Cicero could never have conceived of intellectual property, let alone property in a practical notion or in the potentialities of talent; for us, on the contrary, the organiser or promoter is a generative force which works upon others, executive forces by giving direction, aim and means to their action. Both belong to the economic life, not as possessors of things but as carriers of energies."

In modern times, there is such a thing recognised as intellectual property. A writer can leave very well his intellectual property for the benefit of his heirs. He has the right to profit thereby and it is quite in accord with the decent way of doing things.

Coming to the proposition before the House, the fundamental fact is that we are facing an inflation. Inflation is a complex phenomenon and it is not easy to come to a conclusion as to the natural and logical effect hereof. When we came into power, when we got Independence, the position, after the second great War, was simply chaotic. There was no law and order; there were no economic forces working in a rational manner. So, India took to planning. Now, that was not a choice of a particular leader or a particular Prime Minister of the country. It was inevitable. India is a country with 480 million people and such a big country cannot have economic development without what is called, big-push investment. Big-push investment was not possible unless we get aid from outside. To get aid from outside is not an evil nor it is very dishonourable nor it, in any way, affects the dignity of a country. Much is talked about the dignity, about the honour, about the prestige, being lost or the humiliation being borne. I may put a simple question. The honour, the dignity and the prestige is the privilege of a soldier—it is decided by the sword. How many children of the people who talk like this have gone on the front when there was the Chinese invasion or the Pakistani invasion? The only question is, when a man feels the sense of honour or the sense of dignity or the sense of prestige, whether his children have fought on the front against the Chinese invasion or the Pakistani invasion.

The second question is whether the gold that has been in his house has been put into the Government Treasury. The last War was fought by

U.K., Germany and France on the basis of their gold. Not a single ounce of gold was left in U.K. Treasury after the second great War. Not a single ounce of gold was left in France Treasury. To say that we love the country and, at the same time, to hoard the gold and to shed tears upon the death of other people's children, is not a very logical proposition.

So, a simple proposition is that India had no other alternative except to resort to planning. I beg to submit that no major country in the world, like India, had any other alternative but to resort to planning because the 20th century is the century of planning. The underlying idea of planning is that every citizen has got the first class citizenry and having given him the first class citizenry, he has got the right to an economic well-being, to a moral and educational growth, to all the facilities for growth to the full as a human being. Therefore, planning was the only alternative.

Having taken that course, we got help from outside. Big-push investment was the only possibility. That Plan required efficient and disciplined services to carry it out. Now, these things cannot be done in a day. I pay my tribute and I have all the respect for the services. But the services or even the ministerial cadre cannot be changed overnight. It needs time; it needs experience. We could not perhaps do the thing so well as we could have done otherwise had we been trained at the job. The Plan did well and India progressed well. Even in agriculture, we had gained 50 per cent progress in 15 years. If we look to the Agricultural Revolution that took place in 1775 in Europe, it took a longer span of 50 to 100 years and the progress was not more than 1 per cent per year for long period of time. It is that a man works in the same manner everywhere in the world. He does not want to work more than his necessities would force him to work. So, it is

not that you can achieve 50 per cent or 100 per cent development in agriculture overnight. In agriculture, it is a difficult process.

Then, to our trouble, the Chinese invasion took place and later the Pakistani invasion took place and then there was a drought. If we look to the second great War or the first great War and compare our position now to the position of other countries which were the victims of aggression, certainly, we are much better off. The question is that there was a smaller aggression, a smaller war, but India too was not a developed country but that it was in a developing situation. So, I beg to submit that, as things are, India promises well, our future is bright, our people are just at the job and are awakened to the demands of time. They will build a greater country, a greater India, a more powerful India, not for us but for our grandchildren. When a country of 480 million people rise and work and build itself—it does not build for the present generation—it will build itself for the future generation and I have a promise that India will be great, India will be powerful and India will be a country of abundance, peace and prosperity.

**Shri N. Dandekar** (Gonda): Mr. Deputy-Speaker, Sir, I am afraid this debate has been dragging on and on; and I personally feel somewhat stale about this. I will however endeavour to do my best because, I feel the subject is of great importance and this debate is of tremendous consequence because of what we do today in terms of what will happen a year or two later.

The Supplement to the Economic Survey recently issued by the Finance Ministry admits, for the first time over the last four or five years, the dreadful situation that has developed in this country,—a situation that I can only describe as one of multiple crisis in almost every sector of the economy, a state indeed of economic

[Shri N. Dandeker]

shambles. But I say this to anybody opposite the question is asked: What about all the achievements that we have made over the last 10 or 15 years? And they give me imposing figures of cement production, steel production, imports, exports of textiles and so on and so forth. I say to them that it would indeed be odd, if over a period of 15 years after spending thousands and thousands of crores of rupees and bending over backwards and submitting our economy to the most unheard of strains, we did not make some progress. Instead of rattling off a large number of statistics of various kinds, I have always invited their attention to the final measure of economic progress which is of course the rate of growth of national income.

16 hrs.

[SHRI SONAVANE in the Chair]

In the excellent handbook published last year by the Government of India called the "Pocket Book of Economic Information", I find among the international statistical comparisons a statement, which takes the position upto 1963 of the rate of growth in various under-developed countries. And I find to my horror, looking at the position upto 1963, that India is the third last in the rate of growth; we were better only than Morocco, which achieved a 0.6 per cent rate of growth per annum and Argentina which achieved a 2 per cent rate of growth per annum. We, over the period 1952-63, achieved a rate of progress of 2.5 per cent per annum. All other under-developed countries have done much better, some of them comparatively better, but most of them have done much better than what India could achieve. Among them are countries like Pakistan on our west, Burma on our east and Ceylon in the south and even Indonesia, upto 1962-63 at any rate had a rate of progress far better than ours.

Moreover, as regards the last three years, I have no doubt that the rate

of progress in 1963-64 and 1964-65 in India was considerably better, but there was a complete setback, by something like minus 5 per cent rate of growth in the year 1965-66. So that really what we ought to be doing is not patting ourselves on the back saying, 'look at our cement plants, look at our textile plants, look at this, that and the other', but we ought to be taking an honest look at our affairs and asking, "what is the state of affairs today despite 15 years' planning in which we have spent enormous sums of money ranging from Rs. 2,500 crores in the First Five-Year Plan to something like Rs. 13,500 crores in the Third Five Year Plan".

Let us therefore take a quick look at the situation. If you look at Agriculture, you find that it is in a state of terrible crisis. Let not any one think that an adequate explanation of this is provided by the dreadful monsoon—we undoubtedly had last year; the adequate explanation goes very much deeper. If you look at the figures of imports of foodgrains, which are a very good index of our rate of progress in agriculture, you have figures like this: in 1961, as far back as five years ago, we had to import 3.3 million tonnes of foodgrains; in 1964 when there was no question of famine or drought, we had to import 6.3 million tonnes of foodgrains; in 1965, following a good monsoon, we imported 7.5 million tonnes; and this year I suppose we should be importing 12 million tonnes. I am prepared to accept that the differential what we were importing in 1963 and 1964, for instance and what we are likely to import this year is attributable undoubtedly to the drought, but these figures indicate not a state of drought as the only explanation, but a state of continued neglect of agriculture as the basic reason for our continued dependence on imports.

I now go on to the state of crisis in industry. For the first time this

official Economic Survey admits the public sector projects are yielding hardly any return at all and that the private sector industries were starving for essential raw materials and components. The rate of industrial progress which again is the final measurement of all the talk that goes on about planning and achievements in the industrial sector, gives us figures something like these: the highest we reached was in 1962 namely, 9 per cent rate of growth; in 1963 it was 8 per cent; in 1964 it was 7 per cent and in 1965 it was 4 per cent.

If now you take a look at the infra structure, again it is a case of both inadequacy and poor equipment of our infra structure; whether it is power or Railways, Communications or Posts & Telegraphs, or in any other sphere, that is the kind of picture that appears in regard to the infra structure.

If you look at our fiscal and monetary structure, you will find the monetary expenditure going beyond all bounds, financed by mounting savage taxation; because that is not enough, there are excessive borrowings, both internal and external; but even that is not enough and, therefore, we resort to deficit financing on a vast scale; even this is not enough and, so the States go in for deficit financing on their own by way of overdrafts. This vast field of deficit financing is of an extraordinary character; much of it is conceded by way of loan subscribed to by the Reserve Bank of India by way of money borrowed from the PL 480 funds and by way of various other direct credits by the Reserve Bank of India to the economy.

As for the capital market, it is dead. Savings and investment, this Supplementary Report admits, are at record low ebb.

And overhanging the whole structure overhanging the entire economy, is this poisonous cloud of inflation

which has now assumed alarming proportions. In 1960, 1961 and 1962, include whenever I spoke here or else where about the economic situation, the one thing that I used to emphasize was the menace of inflation overhanging this country. And now it has caught up with us with a vengeance today.

Finally, Sir, there was the deepening crisis of balance of payments, a crisis which descended upon you in spite of the massive apparatus of import controls, licences, permits, quotas etc., and in spite of the so called rupee payments trade which at one time was held out as an eldorado, in spite also of the massive apparatus of export promotion, tax credits straight export subsidies and various things of that kind. In the midst of these, a whole lot of smart alecs were taking advantage of this very apparatus both on the import and the export sides, and amassing enormous sums of money both in this country and abroad; and they were the only people, the dishonest ones, in respect of whom the Government thought it necessary to make various attractive concessions: tax concessions, for bringing out their unaccounted moneys; and National Remittance scheme, where no question is asked so as to bring out concealed foreign exchange earnings entirely of tax. Also the midst of all these schemes this business about export promotion assumed such ridiculous proportions that anticipatory imports were also allowed, in the hope that people importing would also be exporting; and the resultant frauds reached gigantic proportions to the level at which,—this is a charge I made last year,—there is every reason to believe,—and it was a common talk in Bombay last year,—that there were something like Rs. 60 to 80 crores worth of anticipatory imports for which there were no exports, or there were a good deal of exports of which the foreign exchange never came here. I did suggest then to the then Finance Minister, and I repeat it now, that this called for an inquiry,

[Shri N. Dandekar]

not by the Commerce Ministry, but by the Economic Affairs Division of the Finance Ministry and the Reserve Bank of India, to ascertain whether it was, or was not true, that something like Rs. 60 to 80 crores of foreign exchange went down the drain.

I could go still, further to describe the current state of economic shambles, but I want to go on to the resultant situation as it was in the months of April and May, but which was completely and deliberately from this House. I do not accuse the Government of concealing their thinking on the subject of devaluation. Obviously, as Mr. Patil says, one does not make an advance announcement about devaluation. That would be stupid to expect. But I did expect that, in the course of those debates in March, April and May on the Budget, on the Finance Bill, on the Demands for Grants of the various economic Ministries, some occasion would have been taken by the Government to warn the country that we were on the brink of a very difficult and high economic precipice.

However, in the situation which the country was then faced, the problem was: what should the Government do in those circumstances. And on thinking this over, Government must have had ahead of them five possible difficult alternatives to chose from. The first alternative was 'Do nothing, or Business as usual'. I am glad they did not accept it, because the destination of that kind of approach would have been Indonesia. The second possible alternative was a "Closed Economy", an economy that would shut out from the rest of the world, relying on more and more controls, more and more regimentation and more and more Statism. I am glad Government did not choose that alternative tither for, the destination of that path would have been Russia. The third alternative possibility was that of deflation," that is, lowering the internal price level by

something like 50 per cent, so that the external value of the rupee at the pegged (old) rate of exchange and the internal value of the rupee could again correspond. I am glad Government did not choose that one either, because the destination of that approach would have been economic paralysis in this country, for we would never possibly have hoped to cope with a deflation of that magnitude and yet make any kind of economic progress. A technical fourth alternative was what Professor Shenoy had called the "floating rupee", that is, a free market for the rupee which virtually allowed a free foreign exchange, market to develop in this country except for certain specific transactions. I am glad Government did not adopt that either, because the destination on that path would have been "destination unknown." I, therefore, agree with the Government in the difficult decision they took, to prefer the fifth alternative, namely, to devalue the rupee. I am often asked, when I say that I agree with devaluation, whether I approve of it in some kind of moral sense. I would read out here my reply to one such enquiry:

"Devaluation was the inevitable consequence of the ruinous economic policies adopted by the Congress Government over the past ten years. Hence, I 'approve' the decision to devalue the Rupee only in the sense in which I would approve a declaration of insolvency by an insolvent who was at last determined to mend his ways so as not to default again."

—or so as not to go bankrupt again. On that footing,—and I hope that it is the intention of Government to start afresh with an honest purpose, not keep on talking a whole lot of vague nonsense any longer but to plan for solvency and not for insolvency—on that kind of basis, I agree that devaluation was the only possible decision in the circumstances. But I have a dreadful fear about the revival of one of these cliches that

are being repeated by various people and certainly by members of the Government and of the Congress Party, and so I had also said, in answering the enquiry to which I have referred:

"One often hears the cliché that the Indian economy is inherently sound, provided certain measures are taken to correct past errors. This makes about as much sense as to say about a man with high blood pressure, a dicky heart, chronic diabetes and enlarged liver, that but for these he was in good shape."

—if only he had proper medical attention: I submit Sir, the economy is not in good shape; the economy is in a very bad shape. And so, I had then gone on to say that the economy

"...is overheated with inflation, overburdened by debt and taxation and very much distorted. It is steadily grinding down to a slow halt. It needs prolonged, sober and complex treatment, of which devaluation is only the first step, if it is to be saved from ending as a Greek tragedy, i.e. known from the outset to be relentlessly destined for a tragic end."

And I warn the Government now that it is not enough merely to say that they are thinking about follow-up measures and this and that, but those follow-up measures have got to have a very clear purposive end in view.

**Mr. Chairman:** The hon. Member should try to conclude now.

**Shri N. Dandekar:** Have I to complete my speech?

**Mr. Chairman:** He should try to complete it in two minutes.

**Shri N. Dandekar:** Do I understand that I have finished my time?

**Mr. Chairman:** He should try to conclude in two minutes.

**Shri N. Dandekar:** That is why, Sir, we have tabled an amendment which sets out quite clearly and precisely some of the essential things that require to be done. I will not read out the amendment itself, but I would like to translate some of our suggestions into somewhat specific terms because that is what everybody demands we must do. Everybody says 'Please do not make vague suggestion; let us have something concrete'. Something concrete is this. In the first place, there must be drastic economies in public expenditure of the order of at least Rs. 500 crores in the aggregate in the 1966-67 budgets of all the governments in this country, which means approximately a saving of 10 per cent. Unless there is this across-the-board saving of ten per cent, there is no possibility of the economy recovering. Capital expenditure except on infra-structure programmes in so far as public capital expenditure is concerned, must come to a halt for the time being. The surpluses resulting from this kind of economy must be used in two directions; the first and foremost direction is that something of the order of Rs. 200 or 300 crores must be utilised towards reducing the burdens and the incidence of taxation. Taxation has now reached monstrous proportions. It has reached a point at which in so far as the ordinary man is concerned, nothing is left with him on which to live decently; and so far as the investing public is concerned, no savings and investments are possible except only small dribbles into what the Supplementary Economic Survey describes as safe investment in preference to equity and so on. Unless these measures of a very specific kind are taken, namely drastic economy in expenditure, drastic cutting down of capital expenditure on non-infra-structure projects....

**Mr. Chairman:** The hon. Member has taken about 16 to 17 minutes. He should conclude now.

**Shri N. Dandekar:** Should I conclude now?

**Mr. Chairman:** Yes, he should conclude.

**Shri N. Dandekar:** Then, I have finished. Thank you.

**Dr. L. M. Singhvi (Jodhpur):** Let him finish his sentence.

**Shri N. C. Chatterjee (Burdwan):** This is very unfair. He may be given two more minutes.

**Mr. Chairman:** Let the hon. Member conclude his remarks.

**Shri N. Dandekar:** I would like to say that mere professions of stopping deficit financing will not get us anywhere. There must be concrete modes of approach to the problem which will result in the absence of the need for deficit financing. Deficit financing is a consequence of "planning" expenditure on a huge scale and over-enthusiastic approaches to the possibility of resources which do not materialise; it is these which require deficit financing. Mere promises that we shall not resort to deficit financing are mere assertions, not practicable undertakings; practical approaches must consist in reducing expenditure, reducing taxation and borrowings, or utilising, in other words, the opportunity afforded by devaluations not for a budget that is planned for a deficit, but a budget that is planned for a surplus.

I would like to end my speech with a little quotation from the admirable statement which the Governor of the Reserve Bank made the other day to a group of bankers. He said:

"The size of the Plan has indeed to be judged not by what is desirable but rather by what is possible. A seemingly smaller Plan in terms of financial outlays but executed without experiencing a price inflation may, indeed, in terms of physical content, be no smaller than a larger financial Plan whose size contains a sizable element of price inflation traceable to significant credit creation."

A moderation of the pace of investment growth would along-

with an effective check to non-Plan expenditure help to relieve the pressures on the economy. A control on the budgetary expenditure and avoidance of inflationary finance would itself help to augment the flow of genuine savings into investment both directly and via the capital market. A control of expenditure and the achievement of budgetary balance would also help us to view the problem of mobilisation of tax resources in a different perspective, as it would offer a respite from the constant pressure towards raising tax levels.

I do not wish to be misunderstood as arguing for slower growth. Quite the contrary. In fact the emphasis must be on a sizable acceleration of the rate of growth in the years ahead and for a purposeful advance towards the equally important desideratum of external viability. These objectives are not indeed inconsistent with a Plan whose magnitude is determined by the availability of noninflationary resources. What they do suggest is a restructuring of the pattern of investment so as to emphasise additions to output rather than the pursuit of investment targets in financial terms. In fact, the higher income levels would, by raising the saving quantum and ratios over time, help to expand investment on a more enduring basis."

What I am suggesting, Sir, is that the Fourth Five Year Plan and the annual budget etc. must be specifically geared to the realities of available resources. This continuing talk by Shri Asoka Mehta that he must make another drive for "mobilising resources" is simply going to mean expenditure beyond resources financed by deficit financing.

I would, therefore, end up by saying that while I agree that devaluation was the only way out, I insist that it is the only way out, if, and only if, Government are determined to be honest, an honest insolvent and to start again on a clean slate.

**Shri Himatsingka** (Godda): Mr. Chairman, I do not want to go into the merits or demerits of devaluation as it is an accomplished fact. The situation had so turned out that Government had no other alternative. The circumstances have been explained in the Economic Survey circulated to Members; there the reasons why this decision has been forced on Government have been set out. The principal reasons are the Chinese invasion in 1962, the conflict with Pakistan last year, a very bad and long drought last year which resulted in a very meagre production of 72 million tonnes of foodgrains instead of the expected 89 million tonnes; similarly, industrial raw materials also fell very much in production and consequently, cotton had to be imported, jute had to be imported. There has also been very heavy expenditure. It is also a fact that production in industry has not been able to achieve import substitution. All these factors have led to devaluation and I think in the circumstances it was the correct decision.

Shri Kripalani said that devaluation has been done in the interest of the foreign countries. I cannot understand how foreign countries will benefit from it. After all, if they have lent us any loans, dollars or pounds, they will get back the same amount of dollars and pounds. If we had gold or any other convertible currency, we would have paid the same amount that we had to pay in the beginning. Therefore, so far as the question of pressure by foreign countries is concerned, I do not think they are at all interested or that they will in any way benefit by our devaluation decision.

On account of very rapid rise in prices of commodities, on account of the situation of drought, there have been a number of imbalances; upto 1962, the price rise was not very substantial—it was in the neighbourhood of about 2 per cent per annum. But subsequently, in the last three years, there has been a phenomenal rise in prices and there is very heavy inflationary tendency which has affected different spheres. Devaluation by itself will not

and cannot correct the imbalances in our economy or rectify or lessen the strain on our balance of payments position. That can happen only if we take proper follow-up steps, such steps as will help us in increasing our exports and reducing our imports.

As you know, there has recently been a liberalisation of imports in respect of about 59 industries. This is likely to considerably increase the existing industrial capacity, and it is expected that the industries, which will be able to import these raw materials they need, will be able to help in reducing the demands for imports of finished goods, as also of capital equipment. A large portion of the capacity of these industries has been lying idle. Now that they will get these raw materials, they will be able to meet the demand to a large extent, and when there is more production, there will naturally be less inflation and prices also will not rise. Therefore, I feel that that has been a right step. But this in itself is not enough. Other steps have got to be taken so that more and more production results.

16:25 hrs.

[SHRI SHAM LAL SARAF in the Chair]

Another thing we have got to keep in mind is the need to keep down the costs so that our exports can meet competition in foreign markets. If we can increase our exports, such exports will also help in meeting the demand for imports and also perhaps in the servicing of our debts. Hence it is necessary that all possible steps be taken to improve our export position. Devaluation will certainly enable our export items to meet competition to a very large extent, but there may be certain items which perhaps will need some more incentives so as to be in a position to be saleable in foreign countries. Such items must get that kind of support from Government.

Certain other steps have got to be taken so that the economy may get going rather rapidly. In this connection, I think, the procedure of licensing should be dispensed with at least

[Shri Himatsingka]

in the case of those industries which can be started for producing consumer goods. As it is, the licensing procedure and the various other steps that have got to be taken to get sanction for an industry will certainly stand in the way and cause delay. The cost also should be kept down so that we can stand competition.

In this context, it may be necessary to control wages and profits. So far as wages are concerned, I feel these ought to be tacked on to production. That means that those who produce more and more efficiently will get more wages. If the wage-earners do not put in their best, they will not be entitled to enhanced wages.

Controls should be done away with as quickly as possible because they stand in the way of various improvements. Government's administrative expenditure should be reduced and cut down drastically. As you know, expenditure has gone up in the last few years from Rs. 487 crores in 1950-51 to Rs. 935 crores in 1955-56, to Rs. 1685 crores in 1960-61 on to Rs. 3,665 crores in 1965-66. This must be kept down so that the inflationary pressure may be lessened. I feel there is very great scope for this reduction. As was mentioned in the House by Kripalaniji, a large number of hands in all departments of the Government are in excess. I feel that if 30-35 per cent of the staff are dispensed with, perhaps the work will be better because the number of persons through whom cases have to pass will be reduced. As it is, this stands in the way of expedition; a file has got to move through 20 persons instead of 10 and there is delay at every stage. There is a good scope for this improvement.

Industry should have adequate resources. The costs have gone up on account of devaluation. Therefore, more money will be required, and therefore, the high level of taxation and credit control of the Reserve Bank which are obstructing the

natural flow of funds into industry need reconsideration at the hands of the Government. Government, therefore, should reconsider the financial situation and find out means to overcome the stringency, and the steps that I think should be taken include the relaxation of credit controls, provision of larger assistance by financial institutions and reduction in taxation, particular of corporate and industrial income.

You will notice that in the Third Plan period the additional taxation that was expected to be realised was Rs. 1,710 crores, but the actuals came to Rs. 3,000 crores. In the Fourth Plan additional taxation over what has been imposed in the Third Plan period is expected to be Rs. 2,730 crores. You can very well realise with this heavy taxation nothing is left in the hands of the investors, and as a result no new companies are coming up, no factories are being set up, and as a result there has been fall in production and prices are rising, and the demand for consumer goods and all other things is increasing especially on account of the very rapid rise in the population also.

Incentives to certain export items have got to be given. Half-completed projects should be completed expeditiously, so that the money that has been invested might begin to give a return. Quick-yielding projects only should be started, and it should also be kept in view that the output per unit of investment is high.

In this connection, I would like to criticise the speech that was delivered by Shri K. D. Malaviya. He said there is no harm if the public undertakings are not giving profit, but the question of profit comes later. Production must increase. There has been very heavy investment in Bhopal and Ranchi, about Rs. 200 crores, but the production did not exceed Rs. 20 crores. If you take the other industries in the country, the yield per rupee is almost a rupee, or at least more than 50 per cent of the investment, whereas for an investment of

Rs. 200 crores here, you get only about Rs. 20 crores worth of goods. How can the demands be met when such a heavy investment does not give a proper return. What I feel is that full advantage should be taken of the respite that has been given by the generous foreign loans or aid that we are receiving in the wake of devaluation. We should live within our means as a nation both externally in our dealings with the rest of the world and internally within our own borders.

In this connection I would invite the attention of the Government to the very admirable suggestion that was given by the Governor of the Reserve Bank that we should to keep our plans within our means so that we may not have to depend on others; it is our domestic improvidence, our attempt to consume without bothering about production is what has caused inflation and a fall in the internal value of the rupee.

Therefore, I feel that attention should be given to production, and the most effective way to do this would be to help in the utilisation of the productive energy, enterprise, talent and initiative which is not wanting in the country; that should be able to meet all the needs of the country. They should be entitled to put up new industries without going through the time-wasting rigmarole of licences and controls.

**Shri Muthiah:** (Tirunelveli): Sir, the economic situation of our country today is not quite bright, but it is not alarming, it is not such as to make us depressed or pessimistic. Even developed countries like U.K. are facing difficult problems like us. Our problems are mainly rapid increase in population, food shortage, increasing prices, and adverse balance of payments. The problem of population increase is to be tackled by effective family planning. Food shortage is to be tackled by increased agricultural production to a target of 125 million tonnes before 1971. Increasing prices have to be arrested and stabilised by more and more produc-

tion in agriculture and industry, by government taking over procurement and distribution of essential commodities at reasonable prices through ration shops, fair price shops and Consumers' Co-operative Stores.

The adverse balance of payments has to be tackled by increased exports and decreased imports. Production is the crying need of the hour. The year 1965-66, was a year of great strain with a great fall in agricultural production and some fall in industrial production, as shown by the Economic Survey. It was a year of deterioration in the financial position of the Central and State Governments and a year of inflationary pressures.

Industrial production rose only by 3.8 per cent in 1965-66 against the target of 11 per cent increase. Production of foodgrains fell by 18 per cent, from 89 million tons in 1964-65 to 72.3 million tons. Production of commercial crops like raw jute, oil-seeds, cotton and coffee also fell in 1965-66. The national income consequently declined in 1965-66. The balance of payments position worsened in 1965-66. Exports fell from Rs. 816 crores in 1964-65 to Rs. 810 crores in 1965-66. Import payments became larger, despite severe import cuts.

The causes for the present economic situation are increasing demand because of growing population, shortage of supplies caused by unprecedented drought, scarcity of imported raw materials, components and spares for industry and large government outlays on projects with long gestation periods.

The remedies suggested by Government are: restraint in Government expenditure both plan and non-plan, increasing the productivity of the existing capacity, export promotion, import substitution and restraint over money supply. The measures taken by Government since February, 1966 are: reduction of deficit financing of the Centre for 1966-67 to Rs. 32 crores compared to Rs. 144 crores in 1965-66;

[Shri Muthiah]

implementation of intensive agricultural programmes like the package programmes in selected areas in order to increase agricultural production; adoption of a more liberal import policy to have larger imports of necessary raw materials and components and spares for fuller utilisation of installed capacity in industry for increased industrial production; devaluation of the rupee in order to stimulate exports and reduce imports and to provide incentives for imports substitution and to arrest inflation; keeping a strict watch over Central and State Government expenditure and over credit supply by the banks.

Government has taken certain steps to ensure supplies. They are: Government's purchase of wheat and rice, raw jute, purchase of wheat and rice, raw jute, raw cotton and vegetable oils on a large scale in foreign countries; internal procurement by Government of wheat and rice in the country and distribution of the same by Government at reasonable prices through ration shops, fair price shops and Consumers' Cooperative Stores, supply of essential raw materials; components and spares through imports for 59 priority industries. Government has taken certain fiscal measures in 1966-67 to reduce the inflationary pressures.

The combined outlay for the Central and State Governments for 1966-67 is Rs. 5529 crores, about Rs. 150 crores less than in 1965-66. Both plan and non-plan outlays have been reduced. The provision for Plan expenditure for 1966-67 is 2081 crores, 217 crores less than in 1965-66. The overall deficit of the Central Government is kept at 32 crores and that of the State Governments at 20 crores. Thus financial discipline has been enforced at the Centre and in the States. Central and State Governments are determined to effect economy this year. They have decided to reduce revenue expenditure by 3 per cent and reduce outlay expenditure by 5 per cent. To check

inflation, Government has issued directive to banks through the Reserve Bank to restrict their credit. Government's policy is to stimulate savings and investment in productive enterprises and avoid all waste and reduce non-productive expenditure.

Prices in 3rd Plan were high enough because of stagnation in agricultural and industrial production and increased money supply. In the last three years of the 3rd Plan, the price level rose by 36.5 per cent and whole-sale prices of food articles rose by 42 per cent. At the beginning of the 4th Plan, the whole-sale prices further rose by 5.8 per cent and the prices of food articles went up by 8.6 per cent. Prices increased during the last decade by 80 per cent.

In view of persistent shortages, Government decided to take over the procurement and distribution of essential commodities at controlled prices. The final remedy to overcome the ills is to maximise production at all levels agricultural and industrial. The balance of payments position became bad in 1965-66, because of the unprecedented draught and the shortage of foodgrains, and the consequent imports of foodgrains on a large scale and the large imports of raw cotton and raw jute and vegetable oils. The burden of servicing the large foreign loans increased from Rs. 58 crores in 1960-61 to Rs. 147 crores in 1965-66. Our borrowings from the International Monetary Fund stand today at 475 million dollars. Our foreign exchange is very meagre now, standing at about 100 crores. To remedy the situation, certain measures have been taken by Government such as fiscal aid to exports; severe import restrictions and increase in import duties; curb on foreign travel; steps to check smuggling.

Devaluation was an unavoidable step, taken by Government to arrest deterioration in the economic situation, to boost up exports and to discourage imports. The decision to devalue the rupee was simply the formal recognition of a *de facto* situation—The Indian

rupee had lost its par value in the international market. The Indian rupee was quoted at a considerable discount in unofficial quarters. Government was compelled to take this major step in the interest of providing a stable solution to our balance of payments problem. Over the last few years, our exports were pushed up, largely by special fiscal aid, and subsidies. Over 70 per cent of India's exports moved only with such aids. Devaluation will maximise our exports over a period of time, though not immediately.

Government is taking determined steps to encourage import substitution, and to encourage the Swadeshi spirit in industrial production by a substantial increase in import duties.

Prices of imported goods would rise, as a result of devaluation and this will discourage imports. Prices of export-goods would be cheaper in foreign markets, because of devaluation and this will stimulate our exports.

Devaluation will increase the burden of repayment of foreign debts. It will increase the rupee value of our foreign loans. The cost of Government imports will go up, because of devaluation. The value of foreign aid in terms of rupees will become larger. In the private sector, the cost of imported plant and equipment and imported raw materials will go up.

The Government has taken follow-up measures on devaluation; they consist of—

- (1) arrangements to meet the import requirements of export industries.
- (2) liberalisation of imports, in respect of 59 priority industries.
- (3) meeting the needs of small industries in the matter of liberalised imports,

- (4) controlling the prices of all essential commodities by Government.
- (5) arrangements to open consumer cooperative stores on a large scale throughout the country,
- (6) effecting economy in Government expenditure,
- (7) improving economy, efficiency and productivity in public sector projects,
- (8) Government ensuring a strict watch by the Reserve Bank on credit supply by the banks,
- (9) promoting savings and investments.
- (10) promoting production and exports.

Let us go forward with confidence in our Government and in our people and in the glorious destiny of our country.

सभापति महोदय : श्री रामेश्वर टांटिया ।

श्री श्रींकार लाल बेरबा : सभापति महोदय, मेरी पार्टी के पांच मिनट बाकी हैं ।

श्री रामेश्वर टांटिया : (सीकर) : सभापति महोदय, अबमूल्यन के पक्ष और विपक्ष में बहुत कुछ कहा गया है, लेकिन मैं ममझता हूँ कि अबमूल्यन एक तरह से बारह महीने पहले ही चुका था, जब हम ने गोल्ड बांड्स स्कीम और नैशनल रेमिटेस स्कीम जारी की थी, क्योंकि उस समय हमारे रुपये की कीमत घट कर दस रुपया प्रति डालर हो गई थी । जब श्री टी० टी० के० ने चार्ज लिया, तो हमारे रुपये की कीमत छः रुपये प्रति डालर थी, लेकिन कुछ कारणों से—जिन को मैं इस समय नहीं बता सकता—जब उन्होंने अपना पद छोड़ा, तो रुपये की कीमत घट कर दस रुपये प्रति डालर हो गई थी । अबमूल्यन के बाद भी रुपये की कीमत दस रुपये प्रति डालर और बीस रुपये

## [श्री रामेश्वर टांटिया]

प्रि पौंड है। मैं समझता हूँ कि सरकार ने अवमूल्यन करके एक तरह से रुपये की वास्तविक कीमत को रेगुलराइज किया है।

अवमूल्यन अपने आप में कोई बुरी चीज नहीं है। फ्रांस, इटली और कई ईस्ट यूरोपियन देशों में अवमूल्यन हुआ है और उसके बाद वे देश आगे बढ़े हैं और उनकी आर्थिक स्थिति में सुधार हुआ है। जैसा कि मैंने कहा है, अवमूल्यन अपने आप में कोई खराब स्टेप नहीं है। यह जरूर है कि यह सोचना जरूरी है कि अवमूल्यन के बाद हम ने क्या कदम उठाना है।

सब से पहला सवाल तो यह है कि हमारे कारखानों का प्राइवकेशन बढ़ना चाहिए। अगर प्राइवकेशन नहीं बढ़ेगा, तो हमारी कीमतें बढ़ेंगी और अगर कीमतें बढ़ेंगी, तो हम को मजदूरी बढ़ानी पड़ेगी, जिसका परिणाम यह होगा कि हमारे माल की कीमत इतनी ऊंची हो जायेगी कि हम अवमूल्यन के बाद भी दूसरे मुल्कों को एक्सपोर्ट नहीं कर सकेंगे। जैसा कि श्री हिम्मत्सिंहका ने कहा है, प्राइवकेशन बढ़ाने के लिए सरकार की सहायता की आवश्यकता है—और महानुभूति की भी आवश्यकता है। आज एक लाइसेंस लेने में दो बरस लग जाते हैं। इस में छः मिनस्ट्रिज अलग अलग तरह में इन्वाल्ड हैं। जो बड़े लोग हैं, जिन के पहले से ही बीस कारखाने हैं, वे तो दो बरस तक राह देख सकते हैं, लेकिन एक साधारण आदमी के लिए, जो नया आदमी एक नया कारखाना लगाना चाहता है, उसके लिए दो बरस तक लाइसेंस की राह देखना बड़ा मुश्किल है। इसलिए अगर सरकार प्राइवकेशन को बढ़ाना चाहती है, तो उसको कोई ऐसी कार्यवाही करनी चाहिए कि हमारे अफसरों के काम में तेजी आये। मैं आप के द्वारा सरकार को कहना चाहता हूँ कि अफसरों का रवैया ऐसा हो गया है कि वे किसी तरह से भी काम को निपटाना नहीं

चाहते हैं, कोई जिम्मेदारी नहीं लेना चाहते हैं, वे सब जिम्मेदारी दूसरों पर छोड़ देते हैं और लोगों को मिलते भी नहीं हैं। पिछले हफ्ते मुझे अनुभव हुआ कि कुछ बड़े अच्छे व्यक्ति एक अफसर को मिलने के लिए गये। उस अफसर ने उनके साथ ऐसा व्यवहार किया कि क्या बताया जाये। अगर हमारे अफसरों का यही रवैया रहेगा, तो हमारे देश की प्रगति और विकास में, उसकी प्राइवकेशन में बहुत रुकावट पड़ेगी।

## श्री दी० चं० शर्मा (गरदासपुर)

उस अफसर का नाम बताइये।

श्री रामेश्वर टांटिया : मैं सोच रहा हूँ कि यहां पर मैं उसका नाम बताऊं या नहीं।

सभापति महोदय : उस अफसर का नाम मिनिस्टर साहब को बतायें, यहां पर नहीं।

श्री रामेश्वर टांटिया : मैं ने मिनिस्टर साहब को बता दिया है और शायद उन्होंने एक्शन भी लिया है। अगर हमारे अफसरों का ऐसा ही रवैया रहा कि वे काम नहीं करना चाहेंगे, लोगों को मिलना नहीं चाहेंगे, फ़ाइलें नहीं निपटाना चाहेंगे, तो हमारे देश का प्राइवकेशन नहीं बढ़ सकेगा, जो कि हमारे देश की पहली आवश्यकता है। हमारे प्राइम मिनिस्टर ने भी कहा है कि देश का प्राइवकेशन बढ़ना चाहिए।

जहां तक पब्लिक सैक्टर का सम्बन्ध है, कुछ ही समय पहले हमारे प्राइम मिनिस्टर साहब ने कहा था कि पब्लिक सैक्टर को नफ़ा करना चाहिए—उस ने नफ़ा क्यों नहीं किया ? जब उसमें सैकड़ों करोड़ रुपये लगे हुए हैं, तो उसको प्राइवकेशन बढ़ा कर नफ़ा करना चाहिए। लेकिन विपक्ष के लोग कहते हैं—और हमारे अपने लोग भी यह कहते हैं—कि पब्लिक सैक्टर में नफ़ा हो या घाटा हो, उसकी कोई परवाह नहीं है, पब्लिक सैक्टर को चलना चाहिए। यह बात ग़लत है। पब्लिक सैक्टर में जनता का रुपया लगा हुआ

है। जो भारतीय जनता दस, बीस, पचास रुपये विभिन्न प्रकार के करों, टैक्सों और एक्साइज आदि के रूप में देती है, उसका रुपया इस पब्लिक सेक्टर में लगा हुआ है। उस रुपये की कीमत जो बड़े आदमी हैं, बड़े व्यापारी हैं उससे ज्यादा है। अगर उस रुपये को कहीं भी आंच आती है तो वह देश पर आंच आती है। इसलिए हमारा कहना है कि पब्लिक सेक्टर अच्छे चले। हमें पब्लिक सेक्टर से कोई भी विरोध नहीं है क्योंकि आज बड़े बड़े कारखाने सौ दो सौ तीन सौ करोड़ के कारखाने पब्लिक सेक्टर में ही बँठ सकते हैं। लेकिन यह हमें जरूर देखना है कि वह पब्लिक सेक्टर के कारखाने अच्छे चले। आज पब्लिक सेक्टर में एक दो काँ छोड़ कर बाकी अच्छे नहीं चल रहे हैं। खाली एक दो कम्पनियों का नाम मैं ले सकता हूँ। टेलीफोन कम्पनी या एच० एम० टी० या एक दो और दवाइयों के कारखाने। बाकी आप के जितने बड़े बड़े कारखाने हैं आप का देवी इंजीनियरिंग का कारखाना रांची का है, इतना मिसमैनेज्ड है दो सौ करोड़ हमारा उसमें लग रहा है, शायद डेढ़ सौ करोड़ लग गया है और एक सौ करोड़ और लगेगा। उसमें घाटा तो है ही प्रोडक्शन कितना है? 30 से 35 करोड़। इसी तरह भोपाल का है, भोपाल में तो यह कह दिया है कि 1970 तक यह घाटा देता ही रहेगा। घाटा भी लगे 1970 तक वह भी समझ में आ सकता है परन्तु घाटे के साथ साथ प्रोडक्शन भी तो नहीं बढ़ रहा है। जिस चीज के लिए कारखाना बँटाया गया था वह चीज तो आज भी हमें वेस्ट जर्मनी और अमेरिका से मंगानी पड़ती है। तो इस में रुपया भी हमने लगा रखा है घाटा भी हो रहा है, प्रोडक्शन भी नहीं बढ़ रहा है तो इसकी तरफ तो हमें देखना है। यह कह देना कि वह कैसे ही चले चलने ही चाहिए यह कह कर के मैं यह मान जाऊँगा कि मैं बहुत प्रगतिवादी हूँ और अगर कुछ सदस्य यह कहते हैं कि इसकी जांच होनी चाहिए, तो वह गलत है और उसको यह

कहेंगे कि यह तो इस तरह की विचारधारा के है। तो मेरा निबदन है कि पब्लिक सेक्टर में कारखाने बड़ें उस में मुझ कोई भी आपत्ति नहीं है। परन्तु वह अच्छे चलने चाहिए। उनमें प्रोडक्शन ज्यादा होना चाहिए और नफा होना चाहिए।

दूसरा जो देश का प्रोडक्शन नहीं बढ़ रहा है उसका कारण यह है कि जो साधारण आदमी है, मेरा मतलब है कि मिडिल क्लास या यंग जो नये नये आदमी आ रहे हैं उनको फाइनेंस की बड़ी मुसीबत है। बैंक उनको रुपया नहीं देता है। यह मैंने पहले भी कहा, बैंक कोई भी नया खाता साधारण आदमी का नहीं करते हैं। वह रिजर्व बैंक का नाम ले देते हैं कि रिजर्व बैंक का रेस्ट्रिक्शन है। अब कितना रेस्ट्रिक्शन है, मैं नहीं जानता परन्तु इतना ही रेस्ट्रिक्शन रहेगा तो देश का उत्पादन नहीं बढ़ेगा, कारखाने नहीं बढ़ेंगे, यह निश्चित बात है। बड़ी बड़ी जो गवर्नमेंट की वित्तीय समस्याएँ हैं जैसे आई०एफ० सी०, एल० आइ० सी० या एन० आइ० डी० सी० उनकी इतनी बड़ी फाइनेंस और कवरेजनायर है कि एक साधारण आदमी के लिए उनका जवाब देना और सेटिस्फाई करना बहुत मुश्किल है। अगर उतनी तपस्या करे तो शायद उसकी मुक्ति भी मिल सकती है। इतनी बड़ी तपस्या उसमें है। तो यह तो मैंने पहले जैसा कहा था कि ऐसी एक संस्था बना दे सरकार कि जो साधारण लोगों को लाख दो लाख या पचास हजार रुपये वाले हैं, उनको वाजिब सिक्योरिटी पर लोन मिल जाय। आज जालन्धर में, लुधियाना में कितने कितने छोटे छोटे कारखाने लग हुए हैं? कितने आदमी उस में काम करते हैं? वास्तव में हमारी असली भावना तो वही है कि घर घर में छोटे छोटे कारखाने हों, हर एक आदमी काम करे और देश का उत्पादन बढ़े। वह सरकार की रुचि आज नहीं है। साधारण आदमियों को न तो लाइसेंस मिल पाता है और न उन्हें कोई वित्तीय मदद मिलती है।

[श्री रामेश्वर टांटिया]

टैक्स के बारे में मेरी भी यही राय है कि बहुत बड़े टैक्स लगने से नये कारखाने नहीं बनेंगे। इन दिनों में बहुत से लाइसेंस लोगों के लिये हुए पड़े हैं। परन्तु नये कारखाने नहीं बँठ रहे हैं। यह बात साफ है कि वह लोन वापस नहीं दे सकते। वेस्ट जर्मनी और अमेरिका दोनों ने पिछले कई वर्षों में टैक्स घटाये हैं। घटाने के बाद भी उनके टैक्स ज्यादा आये हैं क्योंकि उतने ही कारखाने बढ़ गये। तो एक दफा टैक्स हाल्ट हम लांग कम से कम कर दें। इस बार वित्त मंत्री जी ने बोनस टैक्स हटाया और डिविडेंड टैक्स हटाया। उसमें बहुत बड़ा रुपया नहीं दे दिया। रुपया तो जो दूसरे टैक्स लगे उन से आ गया। परन्तु उसका एक अक्षर हुआ। बाजारों पर अक्षर हुआ, लोगों पर अक्षर हुआ। सरकार को बेसी टैक्स की आमदनी हाँ गई और बोनस मार्केट में कुछ तेजी आयी। तो यह नहीं देखें कि टैक्स घटाने से दूसरे आदमी क्या कहेंगे। इस तरह के टैक्स और और परसन्तल टैक्स भी आज बहुत बढ़े हुए हैं। दो हजार रुपये महीना आज किसी को मिलता है तो उसको भी घर का खर्चा चला कर और टैक्स देकर शायद ही कुछ बच सकता है। तो टैक्सों में भी कमी, वाजिव कमी होनी चाहिए। वह कमी कैसे हो? वह कमी तब हो सकती है जब सरकार अपना खर्चा घटाये। तो उसके लिए सरकार तैयार नहीं है। खर्चा इतना बढ़ता चला जा रहा है, इतने दफ्तर, इतने सेक्रेटरी, डिप्टी सेक्रेटरी, अंडर सेक्रेटरी भरे हुए हैं आज मुझे किसी ने बताया कि एक मंत्रालय में 50 अंडर सेक्रेटरी हैं। यह एक अच्छे सदस्य ने कहा। और 50 अंडर सेक्रेटरी होंगे तो ज्वाइंट सेक्रेटरी, डिप्टी सेक्रेटरी भी कितने होंगे? फिर सेक्रेटरी होगा। एक एक सेक्रेटरी के कितने कितने आदमी

श्री हुकम चन्द कछवाय : कौन सा मंत्रालय है वह ?

श्री रामेश्वर टांटिया : बहुत से मंत्रालय में होंगे। एक मंत्रालय का नाम लिया। परन्तु इतने जब सेक्रेटरी होंगे और दफ्तर इतना बड़ा होगा तो सरकार टैक्स नहीं बढ़ा सकती।

श्री हुकम चन्द कछवाय श्रीमन्, नाम बता दिया जाय।

सभापति महोदय : बजट आप के पास होगा उसमें नाम लिखा होगा।

श्री रामेश्वर टांटिया : अगर सरकार अपना खर्चा नहीं घटाता है तो टैक्स नहीं घटा पायेगा। या टैक्स घटाये नहीं तो कम से कम बढ़ाये ता नहीं। लेकिन उसे तो टैक्स और बढ़ाना पड़ेगा। जैसा कि इंडीकेषन मिल रहा है। पांच मिनट मुझे ही और बोलने दीजिये। इतनी देर में दूसरा तो कोई सदस्य बोलेगा नहीं।

सभापति महोदय : आप दो-तीन मिनट में उत्तर कर दीजिये।

श्री रामेश्वर टांटिया : एक्सपोर्ट के बारे में हम साच रहे थे कि हमारा एक्सपोर्ट बढ़ेगा डीवैल्यूएशन के बाद। मुझे श्रीमन् उसमें सन्देह लगता है एक्सपोर्ट बढ़ने में क्योंकि एक तो हमारा चीनों के उत्पादन बे शम ज्यादा है चाहे लैबर कास्ट को बजह से चाहे काम कम हो। तो एक तो हमारे उत्पादन के दाम ज्यादा हैं और दूसरे जा वेस्ट जर्मनी और अमेरिका में हमारा माल जाता था वह इंसेंटिव के जोर से जाता था। उसके बदले में इंसेंटिव मिलता था और उसी इंसेंटिव से उसी हिसाब से वह बेचा करते थे वहाँजपान के मुकाबिले में या और दूसरे मुल्कों के मुकाबिले में। आज वह इंसेंटिव अभी तक सरकार तय नहीं कर पायी है। वह अभी तक सोच रही है और सोचने सोचने में ही वह दी महीने का बाजार तो चला गया। दी महीने तक उन मुल्कों को कोई एक्सपोर्ट

नहीं हुआ। आगे होगा या नहीं होगा पता नहीं। इसीलिए मैं यह अर्ज करना चाहता हूँ कि जी भी निश्चय करे, अगर सरकार एक्सपोर्ट नहीं चाहती है तो वैसा कह दे, लेकिन इस तरह से रखना कि नीति निर्धारण कर रहे हैं, यह ठोक नहीं है। जो कुछ भी करना है वह जल्दी करना चाहिए। अगर वह नहीं करेगी तो कपड़े का एक्सपोर्ट घटेगा। चाय का तो जैसा है वैसा ही रहेगा और जूट का तो घट ही गया है क्योंकि जूट में जैसा कि हिम्मतसहका ने कहा कि पिछली बार डाट के कारण इसमें कमी हुई।

सबसे ज्यादा जो गलती हुई वह मैं समझता हूँ हुई हमारे खेती के उत्पादन में। आज 17 वर्ष मान लीजिये। स्वाधीन हुए हुआ। परन्तु खेती के लिए हमारी सरकार बात तो बहुत करती है मगर उसकी तरफ ध्यान नहीं दे सकी। मैं आपके द्वारा कहना चाहता हूँ कि आज हमारी प्रान्तीय सरकारें किसानों से गन्ने पर सेस लेती हैं। वह इसलिए है कि सड़कों पर या सिंचाई पर खर्च किया जाय जिससे किसानों को लाभ मिले। परन्तु वह सेस का रुपया बहुत सी प्रान्तीय सरकारें उन कामों में न खर्च करके दूसरे कामों में खर्च कर देती है। बेचारे किसान रोते ही रह जाते हैं। रुपया किसानों से ही लिया। सेस में अरबों रुपया उनके पास है। हम यहां कहते हैं तो यह कहा जाता है कि यह तो प्रान्तीय सरकारों का मामला हो, किसी का मामला हो प्रान्तीय सरकारें आखिर सेंटर के पास आती हैं हर एक तरह की सहायता के लिए, तो उन्हें आदेश देना चाहिए।

सभापति महोदय : अब आप दो मिनट में खत्म कर लीजिये।

श्री रामेश्वर टाटिया : तो मेरा यह निवेदन है कि जो भी रुपया सेस के रूप में लिया जाय वह तो किसानों के काम में लगे

ही, परन्तु इसके सिवाय भी जहां भी खेती बढ़ने का गुंजाइश हो वहां इरिगेशन के लिए, खेती की बढ़ोतरी के लिए पूरे तोर से सहायता दी जाय।

अभी तक 50 करोड़ का फटिलाइजर प्रति वर्ष विदेशों से हम मंगाते हैं। अगर 30 करोड़ रुपये की मशीनरी मंगाकर लगे लें तो वह 50 करोड़ रुपये का खर्चा बच सकता है। हमारे प्रधान मंत्री ने या फूड एंड ऐग्रीकल्चर मंत्री ने . . .

सभापति महोदय : अब खत्म कीजिये।

श्री रामेश्वर टाटिया : मैं खत्म कर रहा हूँ। तो उन्होंने प्रयत्न भी किया। परन्तु दुर्भाग्य है कि इन चीजों में भी हम पालिटिक्स ले आते हैं और वह काम हमारा अधूरा पड़ा है। इतना ही कह कर मैं फिर वह कहता हूँ कि जो जरूरी चीजें हैं उनकी तरफ सरकार को ज्यादा ध्यान देना चाहिए।

17 hrs.

Shri Bakar Ali Mirza (Warrangal): Mr. Chairman, Sir, the Finance Minister said that devaluation was inevitable; that it was a dire necessity. Necessity knows no law and I think that is why it required such an eminent lawyer like Shri Sachindra Chaudhuri for its defence.

Sir, many hon. Members have pointed out that our economic situation that is causing great concern to all of us is largely due to the two wars with our neighbours and also due to the stoppage of foreign aid. That is common ground, but we have to find out why it is so. Were we caught unprepared by these two wars or were we not able to check inflation that we saw coming our way, or was all this built-in in the scheme itself of the Plans.

Our Plans, I submit, have been based on utilising to the maximum all our resources from inside the country

[Shri Bakar Ali Mirza]

and all available loans from outside. We had made it in such a way that there was no room...

**Mr. Chairman:** The hon. Member may resume his seat. He may continue his speech tomorrow. We now pass on to the next business on the Order Paper.

**श्री मधु लिमये (मुंगर) :** सभापति महोदय केवल इसके कि आद्य घन्टे की बहस जारी हो, मेरा एक व्यवस्था का प्रश्न है। मैं आपसे स्पष्टीकरण चाहता हूँ। कुछ रोज पहले मैंने एक जासूसी के केस के बारे में प्रश्न किया था, जिसमें ए० आई० सी० सी० के दफ्तरमें काम करने वाले सुनीलदास साहव का जिक्र हुआ था। उस वक्त नन्दा साहव ने उसका खण्डन किया था और न पुष्टी की थी। आज मुझे पता चला है कि उस आदमी को गिरफ्तार किया गया है कामराज के कहने पर। इसका भी खुलासा साढ़े पांच बजे से पहले हो जाय तो बड़ी मेहरबानी होगी।

**सभापति महोदय :** बात यह है कि जब तक कोई चीज सामने न हो, व्यवस्था का प्रश्न ऐसे नहीं आ सकता है। उसका आप पहले नोटिस देते, इसलिये लिख कर भेजें।

**श्री मधु लिमये :** दो कार्यों के आइटम के बीच में से व्यवस्था का या स्पष्टीकरण का प्रश्न उठाया जा सकता है।

17.03 hrs.

#### \*EMPLOYMENT OF EX-SERVICE-MEN

**Shri Hari Vishnu Kamath (Hoshagabad):** Mr. Chairman, Sir, I am sure the House is glad that, as stated by the Minister of Defence on 1st August, the Government has made adequate arrangements for certain Ex-servicemen. But, Sir, it is with considerable

pain and anguish that I proceed to narrate to the House the sad story of the shabby treatment meted out to the good old brave men who during the last conflagration of World War II rallied round the flaming banner of Netaji Subhash Chandra Bose and, rather than languish in captivity, struck a blow for their country's freedom and joined the grand Liberation Army of Netaji. Many of them died martyrs in distant South-East Asia but, Sir, a large number of them returned home as prisoners in British hands, brought about by the forced surrender of Japan after the American atombomb was dropped in Hiroshima and Nagasaki. And, here, Sir, in the Red Fort trial, which was illumined by the grand forensic eloquence of the late Shri Bullabhai Desai, to which Shri Jawaharlal Nehru lent weight and prestige by his presence, those soldiers of the Indian National Army, the Azad Hind Fauj, were tried and their gallant role was completely vindicated in the eyes of the Indian people, the Indian nation. But they were convicted by the British Court Martial.

Sir, the INA hastened the day of India's deliverance. But for the stirring call of "Delhi Chalo" and the armed campaign waged by Netaji Subhash Chandra Bose, but for the Indian National Army which reinforced the "Quit India Movement" launched by Mahatma Gandhi, this country would not have become—I am positive on that—free in 1947. They hastened the day of deliverance.

But what has been the record of this Government? How have they treated these men who hastened the day of India's deliverance and got our freedom nearer? They still suffer from the hang-over of the bad old days of the British regime who by a notorious, infamous ordinance classified them into four categories in 1943, and then