

one copy has to be given to the Minister, one copy to the Speaker, another copy to the Secretary and one to the Minister of Parliamentary Affairs. Four copies. What is it that even the hon. Minister can do, with all his anxiety to place the matter before the House, if it is given to him only one minute in advance? Therefore, I suggest that half an hour before the meeting commences if any paper is given to me, then I shall look into it and try to dispose of it that very day. Otherwise, if I consider that it ought to be brought up before the House at all, I will bring it before the House, giving sufficient notice to the Minister to make a statement if he considers it necessary. That will be adopted in future, unless the Minister says that he has had notice earlier and that he is prepared to make a statement immediately. I want to help the Minister and to help the House also.

In this particular case, I am not called upon to give my consent to this adjournment motion in the circumstances.

STATEMENT RE. CLARIFICATION OF ANSWER TO A SUPPLEMENTARY QUESTION ON STARRED QUESTION NO. 730.

**The Minister of Railways (Shri Jagjivan Ram):** It has been brought to my notice that my reply to a supplementary question by Shri Feroze Gandhi on 7-3-1958, arising out of Starred Question No. 730, was not quite clear and might give rise to an erroneous impression. Shri Feroze Gandhi wanted to know what saving was effected as a result of purchases by the Steel Purchase Mission which was sent abroad last year, against the tenders which were received by D.G., S. & D. I replied that the saving would be substantial, something like Rs. 7-8 crores.

I would like to amplify that in giving this figure I had particularly in my mind tenders received in

India a few months before the Mission was sent abroad. Taking, however, the purchases made in India, more or less contemporaneously with those made abroad by the Mission, the saving would be about Rs. 1½ crores at a rough calculation. Incidentally, I may also mention that iron and steel materials are purchased in India not by the D.G., S. & D., but by the Iron and Steel Controller under the Ministry of Steel, Mines and Fuel.

DEMAND\* FOR GRANTS—contd.

MINISTRY OF FINANCE—contd.

**Mr. Speaker:** The House will now resume further discussion on the Demands for Grants relating to the Ministry of Finance (including Planning Commission).

Hon. Members will be aware that at five o'clock today, all the outstanding Demands will be submitted to the vote of the House; guillotine will be applied then. Before that, the Demands relating to the Finance Ministry will have to be disposed of, that is, about five minutes before five o'clock. Then, the others will be disposed of.

**The Minister of Finance (Shri Morarji Desai):** I shall also require some time. I may be given time from four o'clock.

**Mr. Speaker:** I shall call upon the Minister at four o'clock.

**Dr. Melkote (Raichur):** Yesterday, I was saying that the ship of the Second Five Year Plan was getting floundered owing to the lack of foreign exchange component, but this year we are meeting under better auspices, because the Government of India have taken sufficient steps to get substantial foreign exchange in order to carry out the Plan as far as possible. We should congratulate the Government of India and the Finance Minister for the task that they have accomplished in getting this foreign exchange component.

[Dr. Malhotra]

There have been various speakers here who have said that since the core of the Plan has got to be maintained, it should also be seen that the social services in the Plan are also kept up. I can ill conceive how these things could go together. So far as I understand, the core of the Plan pertaining to the Central Ministries would be to the extent of about 75 to 80 per cent, but in the total picture, in the Plan as a whole, it is only about 40 or 45 per cent. If, therefore, the core of the Plan has to be kept up, to a large extent, the other items of the Plan also could be kept up. The difficulty may not arise mainly from insufficiency of finance, but it may be due to other reasons.

As far as I could see, during the two years of the Second Five Year Plan, we have been able to spend only Rs. 1,500 crores; and still, there is a balance of Rs. 3,300 crores to be spent during the remaining three years, which would roughly work out to about Rs. 1,100 per year. Whether it is possible to spend all this money during the next three years is a very big point, because if measures have not been taken to increase the workload in every sphere, and also to find out sufficient number of technical personnel and also the necessary equipment to complete the Plan, it would be very difficult indeed to accomplish what is desired.

I, therefore, feel that we should carry on with the Plan as it is, but if, in any case, the Plan has got to be whittled, let it not be whittled in the matter of finding more employment. If moneys are needed for social services, I can understand it; I can understand the importance of social services, but it is more important in a poor country like ours to find more employment opportunities. First, it is necessary to satisfy the stomach, after which alone we can think of other social services. Therefore, those items of the Plan which would cater to finding more employment potential

should be attended to, and amongst the rest, priorities may be given; and any whittling of the Plan should be in the direction of whittling the social amenities and not those items of the Plan which give more employment.

Looking into the note that has been circulated by the Finance Ministry, I tried hard to find out to what extent the employment potential has increased during the Second Plan. It was estimated in the beginning that we would be able to give employment to nearly nine million people during the Second Five Year Plan. But during the two years of the Second Plan, we have spent about Rs. 1,300 crores which is certainly not a small sum, while in the five years of the First Five Year Plan, the total amount allotted was Rs. 2,300 crores and out of this we were able to spend only Rs. 1,850 crores or so. During the first two years of the Second Plan, in spite of difficulties of finance, we have been able to spend about Rs. 1,300 to Rs. 1,500 crores, which means that in the First Five Year Plan, we spent on an average Rs. 350 crores per year, while in the Second Plan, we have nearly doubled that expenditure and it comes nearly to Rs. 750 crores. Therefore, even while not being able to accomplish the full targets of the Plan, our expenditure has gone up to twice, and, therefore, the employment potential should have considerably increased. So, we would like to know to what extent the employment potential has increased and whether during the remaining three years, it would be possible to accomplish as large a part of the Plan as possible of finding employment for nine million people as was promised.

While considering the question of employment, it is also necessary for us to find out to what extent during this period of ten years since Independence, we have, through various legislative and other measures, tried to bridge the gap between the have-nots and the have's. We have accepted a pattern of government which is to be democratic; and a pattern of

society which is to be socialistic is our goal. Therefore, it would be necessary to find out whether during this ten year period, we have been able to bridge this gap and to what extent we have been able to accomplish our task of ushering in a real socialistic pattern of society. If one gleans through the statistics that have been given to us, one fails to find the actual data in this respect. I, therefore, feel that it would be necessary to enthuse the people at large and tell them that during this ten-year period of Independence, from scratch we have been able to accomplish to this extent and been able to give some satisfaction to the people at large. That aspect of the question has got to be taken into consideration, and I hope that at least during the next year's budget discussion the Finance Minister will provide us with a brochure which will give us the necessary data.

It has been said that the national income has gone up during the First Five Year Plan by nearly Rs. 2000 crores, out of which about Rs. 800 crores have gone in the hands of the capitalists and others, and nearly Rs. 1200 crores have gone into the village sector. It is said that the national savings campaign and other campaigns for getting money from the people have not evoked much response in recent times. If an additional sum of Rs. 1200 crores has gone into the hands the village sector, would it not be possible to get this from them if we can give certain incentives to the people over there? These incentives can be given in the shape of community projects which are already there. While accepting some of the items in the community projects, we can tell these people that if so much money is mopped up from their area, we would be in a position to give them certain amenities. This may be one method of mopping up the money which is in the hands of the villagers, but which they are not depositing even in a bank. If they deposit it in the banks, the ways and means position of the Government

would have improved. There is no banking system in the villages, and they wish to keep the money in their own hands. What we should do is to increase cooperatives and give them incentives so that we may mop up the money by one way or another.

Sir, I have been visiting some of these community development projects and I would like to place before the Finance Minister one particular thing I have noticed. Whether it is the responsibility of the Centre or of the States, it is immaterial. A large part of the money is spent in the rural sector and over items which are not very big in themselves. But the control of the Finance is very great. The scrutinising and sanctioning authorities go and inspect the scheme and then release the money. After all is said and done it has to be admitted that some of these items are very small, costing about Rs. 1,000 to Rs. 1,500, and inspections are carried out by an Assistant Engineer, or an Executive Engineer, or by the Chief Engineer himself sometimes. Until then moneys are not sanctioned. In doing so, the officers have to make a number of visits, and nearly 30 to 40 per cent of the moneys are wasted in inspection alone. Villagers have to construct these roads, bridges or school buildings and if some non-official agency on whom Government can repose confidence can be asked to make the inspection and certification, it will facilitate matters. After all Rs. 15,000 today is worth only Rs. 4,000 to Rs. 5,000 of some years back. This is not a very big amount, and there is no harm if the standards are slightly lowered. I would like to say that the Chief Engineers and others should not be made to scrutinise these and lower the standards. They are accustomed to dealing with huge sums; their specifications should be standards for infinite time. So, ordinary supervisors or overseers should be asked to go and certify and then the moneys should be released. It is only then that our community projects and other developmental schemes would make headway. If the community projects are not

[Dr. Malkote]

making headway, apart from other factors, one of the main factors, is the late issue of financial sanction. I feel that the Finance Ministry should look into this question and see to what extent these things ought to be modified.

Sir, the Finance Ministry last year appointed a Pay Commission. It is said that our aim is a socialist pattern of society. Therefore, year after year with these developmental plans all over the country, the national income is going up. The Government of India itself may give evidence before the Pay Commission and in doing so, may I request the Finance Ministry to work out details of the redistribution of incomes to be considered by the Pay Commission.

A Pay Commission is not constituted merely to dole out extra incomes to some of these civil servants; but a Pay Commission should be constituted, and is constituted in order to look into the national income level and also to see that the structure is such that a fair redistribution of income takes place. I do not know whether the Finance Ministry has got this in view. But I feel it is necessary, because any mere increase of the wage structure of civil servants, not taking into consideration its relation to national income may not be a fair judgment and if the civil servants have got to get an adequate share in this national income, a proper redistribution of income has got to take place. Therefore, the Finance Ministry has to prepare the necessary data for the same.

I also feel that the Finance Ministry in dealing with the several services, have not been doing a very fair thing with the technical personnel. Ordinary graduates—may, be sometimes first class M. As. or better qualified—get into the I. A. S. cadre and in the time scale of pay there is no check for them and they reach from Rs. 800 to Rs. 1,800 quite safely. But the technical personnel have got to put in more years of service, harder work and at every stage there

is a check for their promotion. After all is said and done they do not reach the same scale as the civil servants. I feel this is not fair. If the technical personnel have to give a good account of themselves in India, as in other places, they ought to be properly honoured and respected and they should be paid adequate sums if they have to put in honest work. Their pay scale ought to be much higher than that for the I. A. S., the highest civil servants. I feel, therefore, that this aspect of the question also should be kept in view by the Finance Ministry when they tender evidence before the Pay Commission.

Sir, it has been said that about Rs. 200 crores of different taxes, like sales-tax, income-tax etc., are not being collected from the people. I do not know to what extent this is correct, but it is definitely a fact that necessary data are not being produced by the people to help their own Government. This is neither good for the people nor to the Government. If people want a good Government, they have got to be honest and produce all the evidence in their possession and pay the necessary taxes. But sales-tax and other taxes that are imposed on the people are collected by the merchants and this is becoming an additional profit to themselves. They are not merely cheating the people; they are cheating the Government. If Rs. 200 crores every year is not being collected by the Finance Department, to that extent we are poorer. It is necessary to effectively control and check this kind of thing. I personally feel that what is being done is not sufficient. Something more ought to be done in order to check this nefarious type of work by so many people.

Sir, recently the insurance companies have been nationalised. There has been a good deal of grouse felt by many members who are working in the Corporation. It is said that various cliques have been formed there in the matter of promotions, in the matter of even superior jobs, in the matter of pay scales, etc., and

these cliques are operating to a large extent to the detriment of collection and work in the insurance companies. The number of policies is going down and unless and until the various categories of workers have confidence in the management, it would be difficult for those people to work with the same zeal and efficiency. I do not want to go into details. I am collecting data, which I hope to be in a position to give the House some time later. In the meanwhile, I feel it necessary to bring this to the notice of the Finance Ministry, so that they may pay some attention to this question.

**Shri T. K. Chaudhuri** (Berhampore): It has been usual in discussions of Demands of the Finance Ministry to concentrate on the administration of the Departments of Revenue and Expenditure. But I feel that if we really want to understand the workings of the mind of Government in financial matters and in actual economic policy; if we really want to understand the forces and considerations which influence their philosophy in its day to day working we have to concentrate on the inner set-up of the Department of Economic Affairs and on those divisions in it which are pivotal to the working of the overall economic system as it obtains today in the country.

We are very much concerned these days about the internal and external resources for the implementation of the Plan. We are worried even about the future of the Plan. We do not know as yet how much of the Plan and what part of it we would be able to see through eventually. Yesterday, we heard our esteemed friend, Shri Asoka Mehta, expressing deep concern about what he called the periphery of the Plan. He was anxious that in our concern to save the core of the Plan we might not sacrifice the soft periphery round about, by which he meant social services and other amenities which we have to provide for the common man.

I think Shri Asoka Mehta is very intimately aware of the workings of our economic system and he can draw his own conclusions as to why there is such hesitation and reluctant about the phasing of the Plan.

We heard another hon. Member on this, Shri Nagi Reddy, who expressed concern about the close contacts that the Finance Ministry has with what he called 'financial sharks'. He expressed the hope that the new Finance Minister would be able to snap these contacts so that he might not fall a prey to them, as others had fallen in the previous regimes. Of course, I do not share the optimism of Shri Nagi Reddy. I am rather worried about the way these 'financial sharks' are spreading their tentacles all over the country, and if newspaper reports are correct, Shri Nagi Reddy will soon find that these financial sharks or octopuses have spread their tentacles and taken in grip even those areas which they least expected to grip.

**Shri Asoka Mehta** (Muzaffarpur): He means around the Communist Party?

**Shri T. K. Chaudhuri**: Whatever that may be, in order to understand how our economy, particularly the Finance Ministry, works, we have first to look to the Department of Economic Affairs, particularly its Internal Finance Division and External Finance Division. The Internal Finance Division controls banking and currency.

Now, we are told time and again,—and this Parliament adopted a solemn resolution—that we are to aim at a socialist pattern of society and all that. But what do we find here? In the pivotal institution, the Reserve Bank of India, which is a completely nationalised concern and which runs our economic system, who are the directors of the board? It is practically a nominated board, nominated by the Government. Now, I will read out the names and you will easily understand how much the

[Shri T. K. Chaudhuri]

so-called "financial sharks" or the big monopolists of the country have become integrated with the treasury and the working of the central banking system in the country. Apart from the Governor and the Deputy Governors, the names are—they are well known names, but even then I would like to read them out—Shri Kasturbhai Lalbhai, Shri B. M. Birla, Shri Shri Ram, Shri C. R. Srinivasan, Shri Manilal Nanavati, Shri J. R. D Tata, Shri Bikkani Venkataratnam. These names are well known, and we have placed the working of the entire banking system in their hands.

Then we have under the same department, the Internal Finance Division which looks to the working of the State Bank of India. Here also, who are the directors?

Shri Tyagi (Dehra Dun): He has called the people, whose names he read out, financial sharks.

Shri T. K. Chaudhuri: I never called them so. I was only quoting Shri Nagi Reddy. He called them financial sharks.

Mr. Speaker: Even that is defamation outside this House. If somebody calls some other man something and another person takes umbrage and repeats the same, it is as much an offence as the original one. I am really sorry that this has been said. Those hon. members are not here. Any one of them can possibly be here. Some of them are members of the Assemblies. There is no good making these observations against them. Make the best use of them. If arguments fail, the other prevails.

Shri T. K. Chaudhuri: I repeat I did not call them financial sharks.

Mr. Speaker: It is very wrong.

Shri Feroze Gandhi (Rai Bareilly): The former Finance Minister called them 'man-eaters'.

Shri Tyagi: If it is used in a general sense, I can understand it. But he

named the persons. That is why I object to it.

Mr. Speaker: Apart from all that, he did not cut much ice by saying 'man-eaters' and going away. I was not in a position to exercise more jurisdiction.

Shri T. K. Chaudhuri: The only point I was trying to make was that the leaders of big business and big capitalist monopoly in this country were in charge of the working of the country's central banking system.

Mr. Speaker: There is one capitalist system with which all persons in the world started. Now there is a different system which is trying to take its place. Hon. Members can balance both the systems and say these are the advantages of one system and these are the defects of the other, without going into personalities and calling them 'sharks'.

Shri T. K. Chaudhuri: I did not call them 'sharks'.

Mr. Speaker: It is very wrong.

Shri T. K. Chaudhuri: Am I not entitled to call them leaders of big business in this country? They are the leaders of big business.

Mr. Speaker: Whoever denies that? Nobody takes exception to that.

Shri Feroze Gandhi: Are they in a majority on the board of the Reserve Bank?

Shri T. K. Chaudhuri: Yes, they are in a majority.

Take the State Bank also. Who are the directors of the State Bank? I mean no offence to them. They are very well known and intelligent persons. They are Shri Neville Wadia, Sir George Mackinlay, Shri A. M. M. Murugappa Chettiar, Shri J. D. Choksi, Shri R. G. Saraiya, Shri Sachin Chaudhuri, Shri Satyapal Virmani, Shri M. Somappa and so on.

The point that I was trying to make out was that the working of the central banking system and the pivotal financial institutions in the country has been handed over by Government, knowingly, to the leaders of big business; and if we have to have this kind of central banking system controlled by leaders of big business and capitalist monopoly, we could not have any socialism in this country.

What is the result?

The economic policy that is being followed by this Government and the Central Bank was very ably and succinctly defined by the Governor of the Reserve Bank in California last year when he addressed a gathering of industrialists assembled there from all over the world. And, there, he said:

"In discussion the role of the public sector tends to be magnified out of all proportions. It has been estimated that in terms of investment the public sector of industry in India accounts for not more than about 3 per cent. of the total investments. And at the pace at which development is taking place, it would be extravagant to suppose that the proportion would increase to anything more than 15 or 20 per cent for so long as we can foresee at present. In fact, the private sector is playing a dominant role in Indian economy today and is bound to play a dominant role in future."

Here, we have the real core of your socialistic pattern of society. Then, further on, he refers to the things we have in the public sector or we want to put in the public sector. He says:

"The more important schemes which have been reserved for the public sector are those for which the private sector is unable to find resources."

He mentions the plan for the manufacture of heavy electrical equipment and says in conclusion—

"Actually, an understanding has been reached that the Government plant will not compete with the private sector in the production of lines on which they are now engaged, and certain further lines which they have proposed to take up. This is a case in which a profitable section of an industry has been reserved for the private sector, and what would be unprofitable for several years to come has been taken up on its own shoulders by Government in the larger public interests."

Because they will have losses and because they do not have the means to engage in those industries, so the tax-payers as the shareholders of these nationalised undertakings have to bear these losses on their shoulders. There, you have the very core of the much boosted socialistic pattern.

Now, I am willing to remain satisfied, so far as I am concerned, with the present capitalist pattern because this is the pattern that exists in fact and this is the pattern which, if we have to believe the Governor of the Reserve Bank, will continue to dominate our economy in future also. My concern here is rather to see that even if we have a capitalist structure, let us have an honest, straightforward and efficient capitalist structure trying to do its best for the development of the country, of course, within the framework of capitalism or State capitalism, whatever we might call it.

And, in that background, one question that has been exercising the attention of the country for some time past is the way how we propose to manage these public corporations or the public sector of our industrial undertakings. In this book, the Explanatory Memorandum on the Budget of the Central Government, there is a list of these public undertakings. I counted them. There are about 67 industrial establishments in

[Shri T. K. Chaudhuri]

the public sector. How are we going to manage them and what would be the best system to manage them?

There is a tendency in some quarters to identify nationalisation or State ownership with socialism. I, however, feel that State ownership under our system may lead to great dangers and may lead to what is known as totalitarianism, or statism and may open the way not only to economic totalitarianism but to political totalitarianism as well. And, that is why we, and the Finance Ministry also, must immediately, as soon as they can, lay down certain principles on which these public undertakings or public corporations in the State-owned sector are going to be managed.

I do not have sufficient time at my disposal to go into this question fully but, I think, the remark that the great authority on this subject, Dr. William Robeson, made about public undertakings in Great Britain also applies in our country very well, because in our country, these public undertakings and public corporations also grow up in a haphazard manner. There is no uniform pattern of management, nor can there be or need be any uniform pattern of management. The more important point is the spirit which informs the management of these bodies.

Long ago, about 20 or 25 years back, Mr. Herbert Morrison of the British Labour Party laid down a principle about the management of these public corporations which he said would be a combination of public ownership, public accountability, business management for public account. He says that it must be a body for which there must be public accountability in proper form or forms and it must have a social combination of the different parties' rights; and the legitimate right of the consumers and also of the labour in industry must be safeguarded.

I am afraid that many of these principles are not observed in the

management of our public concerns and I would request the new Finance Minister at least to take active steps in the immediate future to lay down a pattern for the management of these concerns.

Shri Heda (Nizamabad): Mr. Speaker, Sir, first of all, I would like to refer to a point which the last speaker had dealt with since the particular paragraph of the speech of the Governor of the Reserve Bank which he has quoted has been quoted and discussed not only here but also at many other places and many times. Apart from the context that the Governor of the Reserve Bank was speaking at a World Assembly of businessmen, he had a particular mission there. Let us try to find out the real meaning of his words. He has stated that the public sector in India, from the investment point of view, is about 3 per cent. That is true; but, when he says that, he takes into account the vast agricultural sector and all other activities.

Shri T. K. Chaudhuri: May I point out, Sir, that he never referred to agriculture? I have the whole text of the speech with me. Shri T. T. Krishnamachari handed it over to me and I would like Shri Heda to go through it.

Shri Heda: I have gone through it.

Shri T. K. Chaudhuri: He never referred to the agricultural industry.

Mr. Speaker: He says, only 3 per cent.

Shri Heda: I am giving my paraphrase of it. When he says....

Mr. Speaker: How does it form only 3 per cent when agriculture is not included? If the public sector is only 3 per cent, then, agriculture must also be included in it.

Shri T. K. Chaudhuri: He has specifically mentioned, industry. I can read the paragraph if you want.



Shri Morarji Desai: Agriculture is also an industry.

Mr. Speaker: Hon. Members have different interpretations.

Shri Heda: The main point is how we are discussing it. When we discuss the private sector *versus* the public sector, there is one aspect and that aspect is the role of the private sector; those who manage it, whom Shri Chaudhuri was later on good enough to call leaders of big business. Let us see what their dominant role is and let us see how the public sector is growing. If we just compare these two forces and not take the entire private sector, I am quite confident that from the way the public sector is growing, we will very soon find out that the public sector is dominating the private sector and it would be doing that quite rightly.

13 hrs.

When we in Parliament pass a resolution professing socialism and we envisage this Plan to achieve that end, naturally our care is to see that the private sector or what we call capitalism did not dominate and have a sway but rather the public sector which is part of the socialism has its sway. In this connection, he had earlier referred to a speech which Shri Nagi Reddy made yesterday. Shri Nagi Reddy was very critical about some of our plans and programmes. Naturally he had referred to this big business again. When he was speaking, I was reminded of a cartoon that appeared in the best cartoon weekly of our country—I mean the *Shankar's Weekly*. The cartoon shows how the Communist Party behaves and enjoys the different *Navarasas* in different situations. They are enjoying these *rasas* with different types of sections of people. In the end the cartoon has depicted the *Santha rasa*. It has depicted it as enjoying the *Veera rasa* with Shri Asoka Mehta and doing *Tandava Nritya*—*Bhayanak rasa* when facing the Jan Sangh. It is enjoying *hasya rasa* when it sees itself in the mirror. It enjoys *Santha rasa* and keeps quiet and becomes silent when

it faces a representative of big business. Naturally, it had a reference to the invitation by the Chief Minister of Kerala to a big industrialist for a big project. I have nothing to comment on either the capitalist leader or the communist leader.

But I may make only one observation. I speak Marathi; that is my mother tongue and I am reminded of a Marathi proverb:

याचे वरम रोवे तूण

Thukaram was a great poet. He has depicted a picture where two big giants come together. He says: let me see how the meeting goes on. The country would be interestingly watching these two big giants, the Chief Minister of a communist State and the representative of big business, both superb in their own arts, meeting and tackling the situation. It would be good if they go together and make the country progress.

Yesterday, Shri Nagi Reddy referred to another phenomenon. I find to probe into his mind but I was unable to understand him. He mentioned the textile industry. He has said that the production has gone beyond the requirements. The result should have been that the prices should have fallen. His complaint is that the prices had not fallen. If we achieve our targets earlier than planned, there is nothing wrong in it. I think that he also does not see anything wrong in it. When there is more production and less consumption, the production has to be curtailed. In that curtailment process, some mills have issued notices to workers or some mills are closed. A heartening feature of the whole thing is that when production was to be curtailed, the handloom and the khadi sectors were not affected because of the Government's policy of protection to smaller industries. It was only the textile industry, which somebody calls by some other name and which Shri Chaudhuri was good enough to call the leader of the big industry, which had to face the music. It had either to close down some mills

[Shri Heda]

of issue notices to workers. In the national interest, Government came forward and I hope the situation would be remedied.

I am referring to this because the way we are planning is very adequate and the watch we are keeping is also very good. If the prices had not fallen down far below say 25 or 50 per cent and if that is what he means, it is just impossible. Prices have in fact fallen. He will know the reason if he calculates the cost of production. Prices would not come down below the cost of production. When there is more production and less consumption at the most in a planned country like ours, what would happen? The profits would be curtailed and that is what has happened. If one looks at the dividends that the various textile mills have given, in spite of the fact that last year was not so bad, it will be found that the profits have been drastically cut so far as textile industry is concerned. Therefore, his complaint that while there is more production the prices have not come down is not correct.

He had complained about the foreign investment and tried to compare our country's economy with the Middle East or some other countries. Comparisons are not good. All countries are friendly to us and we do not want to have any unfriendly comment about any country. Let us not forget that our Government had been very careful in one matter. Whatever foreign investment has come by way of technical or financial collaboration, everywhere the Government has taken care to see that the control is in the hands of Indians. While that control is there, to say that our country or our industry would be exploited by this investment is not good. It would only mean that the counterparts of our country, the Indian industrialist is so foolish or stupid that he does not know what he is doing. It is not so. If we take any individual case or take the sector as

a whole, we shall find that our country is developing on the right lines. I have studied how the countries like Canada and USA had developed with foreign investment. Take the case of Australia or Africa or Ceylon or the Middle East. Compare it with the way we are developing our country. I think there is no parallel.

Shri Joachim Alva (Karara): There is a great outcry against American investment in Canada. It is 80 per cent. They have won the elections on that issue.

Shri Heda: It is a fact that in certain industries the American investment in Canada is more than 75 per cent. In one or two industries, it is even 90 per cent. In their case, the control is in their hands, in American hands. That is the big difference and it changes the whole picture. In any new factory or new arrangement for financial collaboration in our country, nowhere have we given control to the foreigners. There are cases where we get sizable amounts, about Rs. 50 or Rs. 60 crores, for our steel plants and other projects. Even there we take control in our hands.

In one thing, Mr. Speaker, I support Shri Nagi Reddy. There should be something common between him and me; and, happily, the common feature in him and me is also common with you.

Shri Morarji Desai: Collieries.

Shri Heda: We all come from Andhra Pradesh and, naturally, we are worried over the Singhareni collieries.

Mr. Speaker: I ought not to get worried over anything that happens anywhere in the country.

Shri Heda: When this Government was good enough to give crores of rupees to other industries—they are efficient industries and they have done very well by giving that loan—I do not think they should make an

exception in the general pattern that they are following in giving the loan to the Singhareni collieries. The Singhareni collieries have done very well. It is the most efficient colliery. They have been achieving their expansion target long before the time. Therefore, the insistence that the loan would go in the shape of share capital should not be there, because it would result in the transfer of control or managing agency from the Andhra Pradesh Government to the Central Government. After all, in both cases it would remain in the public sector.

Sir, at this stage I would like to refer to one problem that has been discussed everywhere; and the first speaker, Shri Asoka Mehta, opened this debate referring to that problem. In fact, that is the most important problem—the problem of finding out the resources for our Plan. Ours is a gigantic Plan—Rs. 4,800 crores. He had even grouse that he did not know whether it was going to be Rs. 4,800 crores, or Rs. 5,000 crores or Rs. 5,400 crores. We are not very sure and so we live in a state of incubation. Our resources, whether in the shape of foreign exchange or internal resources are not given a very clear picture. We do not know how much money we will be getting. We do not know how much deficit financing we will be adopting. Therefore, what will be the total amount at our disposal? These are the questions discussed everywhere. Go to any society, any group of intelligentsia and they will be thinking of this high finance. And, it is a very good thing.

But, Sir, many times in debate we forget a very important thing. The pattern of the First Five Year Plan and the Second Five Year Plan basically differs in one thing. At the time of the First Five Year Plan, we first assessed our resources; how much money we could get within the course of five years, and when we found that we could easily get about Rs. 2,300 crores we thought of spending those Rs. 2,300 crores, made different plans and took up different projects in

irrigation, agriculture, community development etc. But, when the time for framing the Second Five Year Plan came a basic change was made in the approach to planning. The change was that first we thought how much development we should try to make, what is the minimum development that is required according to our views, what are the projects that are quite essential in the course of the next five years, what will be the bottle-necks here or the bottle-necks here, what will be the requirements here or the requirements there, and we first took up those projects. When we totalled those projects the total came to Rs. 4,800 crores. After we found out the total to be Rs. 4,800 crores, we are now making effort to raise the financial resources so that we would be able to get through the Plan, and that effort is being made.

There are certain things which are bound to be very uncertain. Take the case of foreign loans. How can we say that we would be getting so much or we would not be getting so much foreign exchange by way of loans? How can we say that so much will be our exports and so much will be our imports and nothing more than that? All these things are very difficult. That is why the Planning Commission is a body in our country which constantly sits and watches the situation as it develops from day to day. That is why we have got this flexibility.

This flexibility should have been welcomed; instead of that, a rigidity has been asked for. I do not know, why. But commenting over this sense of flexibility—which, according to some, borders on the sense of insecurity so far as planning is concerned—he referred to a strange phenomenon; he referred to senility. He said that some of our leaders have become senile. Well, Sir, I see the leaders in Government and I see the leaders in the Opposition, and I find that practically they are in the same age group. I respect all of them.

**Shri Mahanty (Dhenkanal):** Age group?

**Shri Hoda:** Yes, age group. Probably, my friend is forgetting his own leader. They are in the same age group. Luckily the leaders of all major parties are above 60. Therefore, this type of attack or charge from such a charming and respectable leader does not take us anywhere, and I again, Sir, would state with all the emphasis that I can command, that the flexibility of our Plan is the best feature of our Plan; because of this flexibility we can always try to get as much resources as are possible. That is why we made certain changes in the income-tax structure and in our excise duties. We are watching their results. As time goes, we shall find out what would be the repercussions. We have already adopted a certain amount of deficit financing and we have tried to control the inflationary conditions. If we see from that point of view, the work done by the Reserve Bank can match with similar work of any banking system in the world. It has successfully controlled the inflationary pressures, and inspite of such a huge deficit financing to the extent of about Rs. 900 crores the rise in the prices in India is much lower than the rise in prices in other countries whose example we feel is commendable.

**Shri Dinesh Singh (Banda):** Mr. Speaker, Sir, our greatest economic challenge today is the Plan. Therefore, all our economic and financial policies have to conform to the Plan. This Plan has been discussed in this House at great length. I should, therefore, like to mention only a few points that I feel have not been fully considered.

Before I proceed any further, Sir, I should like the House to bear in mind that we are now in the middle of the Plan period and it is not possible to make any basic structural alterations now, because if we try to basically alter the Plan in the middle of the Plan period it will only lead to con-

fusion and in the end we shall have also lost what we have gained.

Now, our Plan envisages the development of this country along two lines—the development of private sector and the development of the public sector. Both these sectors are an integral part of the Plan. We cannot now separate development of one from the other. The development has to go on in both these sectors if we want the Plan to be realised fully.

We should, therefore, not say or do anything at this stage which will create confusion in any of the two sectors, whether the private sector or the public sector. If we try and say something which scares away the private sector, it will inevitably mean that this sector will not develop fully. There is no danger, if I may say so, of jeopardising socialism by letting this sector develop fully. The policy has been made quite clear by the Prime Minister, when he said that he would like the private sector to have full scope of development within the general framework of the public sector. Now, the framework is going to be of the public sector, of the socialist economy. It is only within that framework that we are allowing this private sector to develop.

Now, Sir, I submit to this House that if we accept the Plan, we accept the development of both these sectors along the prescribed lines, and if we halt this development in any way we would have put obstacles in the way of peaceful transformation from the capitalist to the socialist economy which is our aim today.

Let us now consider a few of the aspects of this Plan. First of all, let us see the resources of the Plan. The resources of the Plan are divided into two parts: the internal resources and foreign aid. I feel that the hard core of our Plan should be based on our internal resources only so that we are able to pursue our development free from control from outside so that we are not dependent on foreign countries for our basic development. The

core of the Plan has led to a lot of confusion and doubt in the minds of the people. Especially at this time when, I believe, the Planning Commission is reconsidering or rather rephrasing the Plan, I feel that they should pay special attention to this hard core of the Plan. This hard core should contain only those projects which will lead to greater production—projects like communications, power and irrigation, heavy industries—and only those programmes which will bring in returns and increased production. Of course, the social services are also very important; I do not under-rate their development. But unless we are able to earn a living, unless we are able to raise production, the development of only these services will have very little meaning.

Of course, the Plan takes into consideration our resources, but there are a few points which I would like to mention and which may indirectly help us to increase these resources. The first point in this connection is economy in administration. I feel that the Plan should have a plan for the simplification of our administration so that we are able to effect economies. Our administrative system was frunded by the British on an entirely different plane. It was a foreign country ruling here; an Empire which created these services. These services now have to undergo a change not only to suit our present conditions but to have elasticity for the future.

To give an example, we still go by our old rules and regulations. Whenever a Governor goes out, the routes are lined by policemen. This has now become obsolete. There was a time when the British wanted to make a show of their power and they had these routes lined by policemen. We do not want our popular Governors to be protected by policemen by standing on the roads. If I may mention what a friend of mine told me, he said, the British used the police to keep our leaders away from the people and today the Government is

using them to keep the people away from their leaders. Of course, it is not true. It is only a misunderstanding and an impression which we have created by keeping these old rules in the administration which should be changed now.

Then, take the peons, all decked up in red and gold. Is it really necessary for them to appear in this fashion? Cannot they wear something simpler and more in conformity with our society today?

13:25 hrs.

[MR. DEPUTY-SPEAKER in the Chair]

The second point which I would

like to mention is corruption. Corruption drains a large part of our resources today. The Government are taking certain administrative measures which will no doubt, have some effect, but I feel that the Planning Commission should study the problem and should get to the roots of the problem. Why is there so much corruption in the county? What are the needs of the people for which they have to bribe others? What are the needs of the people who accept bribes at the risk that is involved in accepting them? It is an important problem and we cannot deal with it only by administrative measures. The Planning Commission should have either a committee of its own or a National Commission which should study this problem and see what are the needs of the people, and if they can do something to help them it will be very much easier than having these administrative measures—taking people to the court, putting them in prison, etc., all of which takes a long time—and very little happens.

The third point which I would like to mention in this connection is, we should take some effective measures to check inflation. What happens today is that we make estimates for a project. Then, during the Plan period, when the project is under way, prices go up. There is a demand for increase

[Shri Dinesh Singh]

in wages, and by the time we complete the project, it costs us much more than what we estimated and the whole plan goes out of gear. I submit that the Planning Commission should consider some measures by which they are able to keep the prices and the services constant during the Plan period. We might consider having price control—a control of price of essential commodities—and of other commodities so as not to let the industrialists make too much money. Then, on that basis, fix the wages, so that the people are able to live in contentment and the Plan estimates do not go out of gear. Otherwise, what happens is, the Plan costs us more than what we estimate. Then we have to provide extra money which can be done in two ways: either we mint more money or we try to find extra money by taxation. Both these measures lead to inflation. They put us in a vicious circle. I should, therefore, like to repeat this point again. Unless we are able to keep prices and services constant during the Plan period, it will be very difficult for us to budget properly.

Now, another point which I might mention here is public support. If we have an economic and financial policy for the whole Plan period, the people will know what the Government requires in the form of taxes and savings and the rest, and we might be able to get more public co-operation. What happens today, I believe, is that we do not even have an import policy for the whole Plan period. We have it for six months or so, and then sometimes we import gold-cap pens, then cosmetics and so on. Then we find we do not have foreign exchange left for any essential goods. I know that these luxury goods we import in terms of money is very little, but it has a psychological effect. When you walk into a shop and find that it is full of gold-cap pens and you are then told that there is no foreign exchange to build a dam, it creates a bad psychological impression on the

minds of the people. We must have an import policy for the whole Plan; we must have a financial policy for the whole Plan period.

Another point which has been debated in this House at very great length is the food situation. I want to mention it again because it is rather important. We have to pay back our loans and we are trying to pay back most of them by agricultural exports. What happens is that at the moment there is a great difference between the prices of foodgrains and cash crops. So, a lot of people switch over from foodgrains to cash crops. Then they find that there is already saturation in the cash crops and they start losing on that side also; and, it creates confusion.

I, therefore, suggest that we fix the prices of cash crops and foodgrains in such a way that there is not too much difference between them, of course, taking into account the extra cost in raising cash crops. If we are able to do this, then we can lay down targets of cash crops and foodgrains district-wise and see that these targets are fulfilled. In this way, we shall not have the surprises that we have at the moment. When we need a lot of foreign exchange, we suddenly discover that we do not have enough food.

Coming to the second point about our resources—the foreign aid part of it—of course, this is the political question, but there is another question also and that is foreign investment in India. Unless we have some stability and some definite plan for those people who are going to invest here, I am very doubtful if we shall get much foreign investment. After all, the people who want to come and invest here, do not do so only to give us help, but they are business people and they want some return for their investment. Either we should decide that we are not going to have any foreign investment and plan on that basis or if we want foreign investment, we

must consider how much return they are getting elsewhere and we must be able to provide them the same amount of return, if we want to attract them here.

Lastly, Sir, I feel that we should have a committee of this House to evaluate the progress of the Plan—a committee like the Public Accounts Committee or the Estimates Committee, permanent committees of Parliament—to keep in touch with the progress of these plan projects.

Another thing I would like to mention with your permission is that the Planning Commission might also consider having a plan of austerity. What happens today is that we talk of austerity—and it has become a fashion to talk about it—without any real meaning. If we really want to have this austerity, let us have it with all sincerity; let us have it with a definite plan, put our economy on the basis of war time economy austerity, and really go through it. But there must be a plan that there would be in future a better life, some prosperity, after this austerity is over. At present we have got this austerity and it looks that all our lives we have to live with it. There is no meaning if we talk about austerity and do not think about it any more seriously. So, if we have this austerity, let us have austerity in all seriousness for a time, with a promise to the people of some prosperity at the end of austerity.

Mr. Deputy-Speaker: Shri Barman.

Raja Mahendra Pratap (Mathura): Is my name there?

Mr. Deputy-Speaker: I could not tell any hon. Member whether his name is there or not. I call any hon. Member who catches my eye.

Raja Mahendra Pratap: Can I go for lunch and come back?

Mr. Deputy-Speaker: That would be the pleasure of the hon. Member himself.

Raja Mahendra Pratap: Am I to speak today or not?

Mr. Deputy-Speaker: How can I say? There is no list; I am going to look every time for any hon. Member who can catch my eye.

Shri Barman (Cooch Behar—Reserved—Sch. Castes): It is said that a man generally carries two bags, one in front of him and another at the back and it is natural that whatever is good for him he puts in the front bag and whatever is not suitable, he puts in the bag at the back. So, it is always profitable that one understands whether he is going in the right way and in the right direction and it is always profitable to have some critics. In our democratic institutions, there is always opposition to the Government and it is a good thing, a good institution rather, that we always learn from the Opposition whether we are erring in any way, and then assess whether we are proceeding in the right direction.

So far as this finance budget is concerned, we have heard criticisms of the policies and actions of Government from practically all important parties of the Opposition and after hearing them, in my judgment, I think that Government, after all, have been proceeding in the right direction, so far as last year is concerned. And we fervently hope that in our journey forward, they will do the same thing.

Government have been criticised on a major point that so far as the Plan is concerned, they have overdrawn the mark and so they are finding the difficulties in finance, both internal and external and they are not fixed and definite in their mind to what extent and what portion of the Plan they will have to abandon. No doubt in the beginning of the last year, we had been in great difficulties. There had been mostly an adverse balance in our external trade. Our sterling balances have dwindled to the lowest figure practically; I think it is only Rs. 300

(Shri Barman)

crores at present. But by the wise financial and economic policy adopted by the Government, that downward trend has been arrested....

Raja Mahendra Pratap: It is a case of immorality, promising and not giving time.

13.30 hrs.

(Raja Mahendra Pratap then left the House.)

Mr. Deputy Speaker: The hon. Member need not hear or attend to any vanishing voices

Shri Barman: So far as our external resources are concerned, either by way of loan or aid, we had been very much pessimistic in the beginning whether we shall be able to have external finance to go on with our Plan. I think due to the wise and straightforward external policy followed by our Government and due to the wise husbanding of our resources, India has gained the confidence of the outside world. As a fruitful result of that, we are happy that though we could have expected much more, yet, we have gained the confidence of outside countries and our friendly countries have helped us. Besides the Commonwealth countries, we have got aid and loan from countries like West Germany, Japan and U.S.A. Judging from all this, we can simply come to the conclusion that the policy both financial and economic pursued by this Government as well as the external policies that have been followed consistently by our Government can only get encomiums from us. There may be defects here and there. Government, certainly, will be prepared to take these criticisms into account.

Now, I shall refer to one particular matter which I want the Finance Ministry to take into consideration. No doubt, it was very much necessary for the Finance Ministry to take to

economy measures in all such possible spheres. We all welcome that. They have succeeded in reducing expenditure in many spheres to the extent of crores and crores of rupees. But, I could not follow their policy in one very little insignificant matter. You know that due to the policy which has been laid down primarily by our Constitution and which had been followed for some years past by the Cabinet and especially by the Finance Ministry, some advantages were being given to the Scheduled Castes so far as their education is concerned. I am first and foremost concerned with educational facilities that the Government can give to the depressed classes. I think I have expressed several times that this is the only thing that we can expect from the Government and if the Government be generous in this matter and if the depressed classes be uplifted in their education sphere, all other ills will gradually disappear as a matter of course. Pursuing that policy, it had been decided that a few scholarships for overseas study should be given to them. It is only 12 scholarships per year that had been decided upon by the Education Board and the Ministry as well: four scholarships for the Scheduled Castes, four for the Scheduled Tribes and four for other backward classes. It came to me as a surprise when I found that during the last year, that is, 1957-58, no advertisement was made by the Public Service Commission calling for petitions for overseas scholarships.

I put in a question in this House. In reply to that I got this answer. Unfortunately, I was not present that day. My question was:

"Overseas scholarships to backward class students:

- (a) Whether Overseas Scholarships are to be awarded to students of Backward Classes under the Government of India Scholarships Scheme during the year 1958-59; and



(b) if not, the reasons therefor."

The written reply is this:

"Dr. K. L. Shrivastava:

(a) and (b). The question of the award of Overseas Scholarships under the Government of India Scheme of post-Matric Scholarships to the Scheduled Castes, Scheduled Tribes and other Backward Classes students is under consideration from the foreign exchange angle."

This, as I have said, struck me somewhat strange. What is the financial consideration that is involved in sending 12 boys outside India to have education in some overseas Universities? Then, I was further perturbed to learn that the students selected by the U.P.S.C. for foreign study for the year 1957-58 could not be sent outside.

What has been the result? I want to mention here on the floor of the House one specific case. One J. M. Roy, from West Bengal, was selected for post-graduate course in Electrical engineering. That boy was in service in the Burma Shell and was drawing about more than Rs. 700 a month. Learning from this Ministry that he had been selected for overseas study, all his arrangements had been made and he was to sail on a certain date, that boy resigned from that service three or four days before that. Just on the date when he was to start for Delhi, he was informed by the Education Ministry that he need not come till further intimation. The result has been, he had not been sent that year and even today, he does not know whether he will be sent out or not though he was selected one year before and he had resigned from his service. He had come from Pakistan and that boy has no living house even in India. After giving up his service, he is staying in a friend's house. Correspondence after correspondence is made with the Education Ministry, with the only reply, you will be intimated later on the decision of this Ministry. This is a particular case that I have to cite.

As a general case, I submit, why should the Finance Ministry be so parsimonious, be so economical for a paltry sum. I think it involves only a few thousands. This is a matter which I would request the hon. Finance Minister to look into. In fact, if I can speak for all the backward classes in the whole of India,—I feel it strange—though we had sympathy first of all from the ex-Finance Minister Shri C. D. Deshmukh, later from the Home Minister, from the Prime Minister, in fact, from every Minister, I have a serious doubt in my mind that this decision which goes counter to the policy that has been adopted by the Ministry was not taken at the Ministerial level, but was taken at the Secretariat level. That is my suspicion. Otherwise such things could not have happened. Whatever may be the case—I do not know—I implore the hon. Minister in charge of Finance, let not the millions of backward classes be hurt with the feeling that in their case, the economy cut had come with such disastrous results that even boys who had been selected and who had also resigned from service, were not sent and the boys are roaming in uncertainty.

I have not much time left. But, I may say one or two words regarding our industrial policy.

Mr. Deputy-Speaker: He knew that there was not much time.

Shri Berman: I need not say much on this matter because the policy has been enunciated and administrated by the Prime Minister and the Minister of Commerce and Industry. If we go outside India and assess the opinion of experts and people of high standing, we shall find that they are surprised that India has, within ten years, advanced to such a stage from such a backward economy. They are surprised that India could advance so fast and so well. From that we can rest assured that whatever is being done by this Government is in the right direction.

**Shri Panchabai Kar (Hooghly):** I am sorry to find that the working of the Finance Ministry, which has to guard the core of our financial structure, to mobilise our resources and to utilise it in the best possible way, suffers from lack of imagination, and consequently from the ailments of an un-planned approach. In a planned economy, our Budget should have some relation to the State Budgets. This year we find that in the various States, and particularly in my State of West Bengal, it has been said that many of the plans could not be implemented because of the lack of funds from the Centre. In a planned economy, when the Union Government is framing the Budget, the Budget is mainly concerned with the fulfilment of the Plan whether in the State sector or in the Central sector, and while preparing such a Budget the needs of the different States should have been taken into consideration as otherwise all our efforts for the fulfilment of the plans will be in jeopardy. I would request the Finance Ministry to take into consideration the needs of the different States and the help that the States ask for, and to provide the required help so that the States may not blame the Centre for lack of funds for the fulfilment of the plan projects.

I would say that failure to evolve a comprehensive measure of economy in the departments of the Government is another defect in the functioning of this Ministry. In answer to a question on 9th August, 1957, the hon. Prime Minister said:

"With a view to ensure that the Government's financial and other resources are utilised to the best possible advantage, it was recently decided that each Minister and Secretary should give urgent and continuous attention to the maintenance of efficiency, integrity and economy in the administration."

A statement was also laid on the Table of the House giving certain details about the economy that the Ministries at various stages were

going to initiate. But even though some effort is being made, we find that the civil expenditure every year is increasing to such an extent that any economy that may be made by the different Ministries will be more than off-set by the increase in the civil expenditure.

In 1948-49 out of the total Budget expenditure of Rs. 220 crores, civil expenditure was Rs. 124 crores. In 1955-56 out of the total Budget expenditure of Rs. 333 crores, the civil expenditure came to Rs. 230 crores. In 1957-58 out of the total Budget expenditure of Rs. 656 crores, the civil expenditure is Rs. 415 crores, and in 1958-59, out of Rs. 791 crores it is Rs. 517 crores. There has been an increase from Rs. 415 to Rs. 517 crores in one year. What effort is the Ministry making to reduce this increase in the civil expenditure, because if an economy measure is attempted, the increase in civil expenditure will frustrate its effect.

It may be said that our projects are increasing, that naturally there is more staff and we have to pay them; that there is the demand of the employees, the interim relief recommended by the Pay Commission; that all these things have added to our expenditure. But what is the amount that has been granted as interim relief by the Pay Commission? It is a very meagre sum of Rs. 5.

Let us look into the present position of the employees. In an answer to a question, we were told that 13,05,742 employees get less than Rs. 100 and 2,42,605 only get more than Rs. 100. There must be some snag somewhere. It is not a question of the demand of the employees or increase in the number of employees, because the appalling situation of the wage structure of the Central Government is that more than 13 lakhs people get less than Rs. 100. I would therefore request the Finance Minister to look into this matter about the increase in the civil expenditure every year, and that too to the tune of more than Rs. 100 crores during the last year.

Next, I wish to point out the Government's effort to check the rising trend of prices. I feel that no serious or sincere effort has been made. We have seen that in the case of foodgrains there was an order or direction from the Reserve Bank, but we were told by the Finance Minister that in spite of the direction by the Reserve Bank, many of the banks did not conform to it. As a result, advances were given against hoarding of foodgrains, and the prices of foodgrains rose against the interests of the common people. Why is it that the Reserve Bank has not been able to take steps against those banking institutions which have not cared to follow the directions of the Reserve Bank? In spite of all the powers granted to the Reserve Bank we find that in the banking industry liberty is given to advance money against even foodgrains and commodities, as a result of which prices are going up. The rising trend of prices can only be checked if there is an attempt to control credits. In order to control credits, it is necessary that we should nationalise the banking industry, because this industry is being utilised by persons who indulge in shady transactions, hoarding and dealing in stock markets. We have seen that this industry supports this type of men. We have very recently seen exactly what mischief a man can play. We have seen the case of Shri Mundhra. And it is not a case of one Mundhra. If we trace the history of Mundhra we will see that it is the banks which helped him to become such a danger to our national economy. It is the banks which supported him, which helped him in shady transactions. Not only that. It is the banks that help in smuggling foreign exchange. Today when we are in a deep foreign exchange crisis, we know there are houses where you pay money here in India, and you get a chit and you can spend the foreign exchange in England without any knowledge of the Reserve Bank or even the Exchange Control Department. This is what is happening, and the banks are helping them. If we

14 hrs.

really want to have credit control with a view to checking the rising trend of the prices of the daily necessities of life, we should nationalise the banking industry. Without that, it will not be possible to stop the rising trends in prices, because it is the banks which are helping these capitalists to move in the way that men like Shri Mundhra move.

I would further say that today we know that the banks are indulging in certain activities which will only recoil on the community. We know exactly what the effect was after the second world war, when the small banks went into liquidation. We have got the report of the Liquidation Proceedings Committee, and we have known exactly how and why these banks went into liquidation. Today, the banks are again functioning in the same way. It may be that some of the big banks may be able to adjust somehow and tide over all these difficulties, but there is a danger that the smaller banks may go into liquidation. I may tell you that very recently, a foreign exchange bank, called the British Bank of Middle East, which has its branches in Calcutta and Bombay, has closed down its branches; and that happened because of the fact that this type of business was rampant in that particular bank.

So, with a view to safeguarding the interests of the community and of the nation, and also with a view to checking the rising trend of prices which is due to the lack of credit control, it is necessary that the banking industry should be nationalised. In the meantime, if Government take some time to think over this matter, then other steps should be taken; powers should be given to the Reserve Bank for the amalgamation of the small banks and also for having a control on the working of the banks, so that we may not see another debacle in the banking industry as we saw in the period 1945-48.

I now come to the appalling credit facilities in the agricultural sector. We had the recommendation of the

[Shri Prabhat Kar]

All India Rural Credit Survey, and Government had accepted that recommendation. But very recently, we saw in the papers that the Prime Minister had said that Government were wrong in accepting the recommendation. I do not know what weighed with the Prime Minister to say now, after four or five years, that Government were wrong in accepting the recommendation of the All India Rural Credit Survey. I would like to know whether Government do not agree with the picture that has been found by the All India Rural Credit Survey or whether Government do not agree to the recommendation for the amalgamation of the merger of the State-associated banks with the State Bank of India. I would like to know in which particular aspect Government think that they were wrong in accepting the recommendation. That needs clarification.

But one thing remains clear and certain, and that is that the appalling credit facilities for the agricultural sector have caused a great hardship on the agricultural sector, which needs the immediate care of Government. Their difficulties still remain, and no step has been taken to improve the position. Here again, I find that the State-associated banks which, it was accepted, should be merged with the State Bank of India, have not been merged. I would like to know why that is so. I would say that it is so because of the influence of the big businessmen, because the men who are at the helm of these banks have put pressure on Government, and so we find that in spite of Government having accepted the recommendation, it is not being implemented, and we see these banks functioning in the same way as before. The result is that rural credit suffers, the agricultural sector suffers, and the appalling credit conditions in the agricultural sector continue.

I shall now deal with foreign exchange. It is true that today we have been able somehow, by our

policy, to improve somewhat our foreign exchange position. But I would say that Government should go into the matter and have an inquiry as to why such a debacle was created, why such a crisis was created in the foreign exchange position, and who were responsible for creating such a crisis. As a result of the foreign exchange crisis, we are thinking of rephrasing the Plan, we are thinking of pruning the Plan, and we are thinking of having only the core of the Plan. In these circumstances, to allow the persons who were responsible for this type of financial crisis to go scot-free is, I would say, to perpetuate a national crime, and therefore, that should not be allowed.

We have just now heard from Shri Barman that the students who had got scholarships had not been allowed to go to foreign countries for studies, because of the question of foreign exchange. But I know also of a case where a newly wed couple has been given foreign exchange to enjoy their honeymoon in USA. I can give the names of those persons, and I shall supply those names to the Finance Minister.

Shri Morarji Desai: Please do.

Shri Prabhat Kar: If this sort of thing is allowed, then are we not entitled to ask for an inquiry to find out the persons responsible for having created such a foreign exchange crisis? For, as a result of it, it is not a question of an individual who is suffering, but it is the nation which is suffering. It has been said that it is a man-made foreign exchange crisis. If that is so, then we are entitled to ask for an inquiry into the conduct of such men, so that we may see the end of it, and this type of thing may not recur in the future.

The last point which I would like you to take note of is the working of the Income-tax Department. This is the only department which is responsible for the collection revenue. The

national income has increased; the profit has increased; the dividends have also increased. This is what is revealed by Government's own statistics. And yet we find that the collection or even the demand for income-tax has not increased. We find that the number of cases pending in the different places is an amazing figure; the number of cases pending is 15,62,931; the number of appeals pending is 33,098, the total amount to be collected up to 1st April, 1947 is Rs. 209.67 crores. From 1st April, 1947, up till 31st December, 1957, out of these Rs. 209 odd crores, we have only received Rs. 21.94 crores. That means that near about Rs. 180 crores always remain uncollected. And these are the figures supplied by the Ministry in answer to a question asked on 28th March, 1958. This is the position of the Income-tax Department. At the same time, we find that the membership of the Central Board of Revenue has increased from three to five. Is it with a view to seeing that the collection is reduced or with a view to seeing that the amount due increases? Every time we bring certain cases to the notice of the Ministry and write to them, we are told that they have enquired into the matter and there is nothing wrong anywhere. But I would only request the Finance Minister to look into this matter of the internal resources which are lying with the persons who are to pay the revenue to Government. I would like to know where the difficulty lies. If it is lack of man-power, then it is necessary that there should be new men in this department. If there is any difficulty in procedure, the procedure should be changed. If there is any other thing like corruption, that must be rooted out. For, if we do not collect the amount which is due to Government but go to the people and say that after all, our internal resources are not sufficient, I think we shall be doing injustice to the people. So, I would request the Finance Minister to give this matter top priority. In the course of a discussion last year, it was suggested that there should be a committee to go into this matter. I have recently

seen a book written by Mr. Nandi in which he has given so many other lacunae in the working of the Income-tax Department. If there are lacunae why should the Ministry not see that these defects and lacunae are removed. If there are really some lapses, why can't they be removed? Just because some of the suggestions come from the Opposition, you should not say that there is nothing wrong anywhere. If out of Rs. 209 crores only Rs. 21 crores are collected, and you shut your eyes to it, you will be doing it only at the cost of the country's economy, which I think, no one—be he a Minister or anybody else—has a right to do. I am sure the hon. Minister will take notice of it.

श्री रामेश्वर टांडिया (सीकर) :  
 उपाध्यक्ष महोदय कल से फाइनेंस डिपार्टमेंट पर जो बहस हो रही है उस से मुझे राजस्थान की एक कहानी याद आ जाती है। एक सेठ जब मरने लगा तो उस ने अपने लड़के को बुलाया। लड़का पढ़ा लिखा कम था। सेठ ने उस से पूछा कि तुम काम काज कैसे संभालोगे? जब इस के बारे में लड़के ने पूछा तो सेठ ने कहा कि जब तुम दुकान पर जाओ, तब, हालांकि तुम पढ़ लिख नहीं सकते हो लेकिन मुनीमों की गलती निकालना शुरु कर देना कि तुम ने यह गलती कर दी है तुमने वह गलती कर दी है यह खर्च बेसी कर दिया है। इस से वह अपने आप डर जायेंगे और सावधान हो जायेंगे।

मुझे यह देख कर दुःख होता है कि वही हालत यहां भी आज है और ज्यादातर हम लोगों की गलती निकालने की ही तजवीज है। प्लेन जो बनाई गई थी, उसे हम सब ने मिल कर बनाया था, उस में जो कमियां थीं वह उस समय खूब सोच ली गई थीं। इस के अलावा प्लेन को पूरा करने के समय में भी कुछ कमियां पैदा हो गईं जिन के कारण पैसा ज्यादा खर्च हुआ। अकाल हो गया, सूखा पड़ गया, आदमी बहुत बढ़ गये। जब इस कारण से खर्च ज्यादा हो गया है तो

[श्री रामेश्वर टाडिया]

ज्यादा टैक्स भी लगाना पड़ेगा। टैक्स अगर लगाया जाय तो चारों तरफ से वर्षा होती है। तो बाहर इस का उपाय क्या है? कोई ऐसा तो है नहीं कि हमारे फाइनेन्स मिनिस्टर साहब के पास कोई अलावीन का चिराग है जिस से वह पूरा खपटा निकालें और उनको टैक्स न लगाना पड़े, और लोगों को जितना चाहिये खर्च के लिये उतना दें। इस लिये अगर हमें प्लेन को पूरा करना है तो टैक्स तो लगाना ही पड़ेगा क्योंकि अगर हम प्लेन को पूरा नहीं कर सकते हैं तो आगे के लिये कितना नुकसान होगा देश को यह सभी लोग जानते हैं।

परन्तु मैं नज़रतापूर्वक इस और भी ध्यान दिलाने की चेष्टा करूंगा कि कुछ टैक्स ऐसे हैं जिन के लगाने पर भी लोग उन को क्षुभी से बे वेते हैं और सरकार को भी उन से भ्रष्टाचार भाव हो सकती है। परन्तु साथ ही साथ कुछ टैक्स ऐसे भी लगाये जाते हैं जिन से सरकार को तो बहुत धामदनी नहीं होती लेकिन लोगों की तकलीफ और हैरानी बढ़ जाती है। मैं नज़रतापूर्वक यह ध्यान दिलाना चाहूंगा कि अगर इस टैक्सेशन में से कुछ टैक्सों को भले ही कुछ बढ़ा दिया साथ और कुछ को निकाल दिया जाय तो उस में सरकार की धामदनी बहुत नहीं घटेगी और उस को हम बढ़ाना भी नहीं चाहते क्योंकि हमारा उद्देश्य यह है कि द्वितीय पंचवर्षीय योजना पूरी हो चाहे किसी भी तरह से ही परन्तु कुछ टैक्स ऐसे हैं जिस से लोगों की परेशानी बढ़ जाती है। एक गिफ्ट टैक्स है जो कि बहुत भ्रष्टा है हम सभी जानते थे कि वह भ्राने बासा है लेकिन उस में कुछ ऐसी बरपायें रखी गई हैं जिन पर फिर विचार किया जाना चाहिये। जैसे अगर हम किसी सत्त्वा को खपटा बेते हैं या किसी विद्यार्थी को ही बेते हैं स्ट्राइपब की तरह पर अगर वह बास ऐमाउंट से बढ़ जाय तो उस पर हमें गिफ्ट टैक्स देना पड़ता है। मैं नज़रतापूर्वक निवेदन करना चाहता हूँ कि अगर सरकार

की १०, २० हजार खपटा की धामदनी कम भी हो जाय तो भी इस तरह के आइटमों को इस कानून में से हटा देना चाहिये। इस से कम से कम इस लिये आप को लोगों से सहानुभूति मिलेगी। साथ ही कृषि के बास्ते भी इस में छूट मिलनी चाहिये। जैसा मैं ने कहा कमी अकाल पड़ जाता है कमी सूखा पड़ जाता है और जितनी फसल होती चाहिये उतनी नहीं होती है।

मेरा यह भी अनुभव है कि साथ कम कृषि का उत्पादन जितना होना चाहिये उतना नहीं होता है। जितना होता है उस से ज्यादा बढ़ोतरी प्राथमियों की हो जाती है उस से ज्यादा बढ़ोतरी खाने वालों की हो जाती है। यह बड़ी भारी समस्या है। साथ जो डिमक्रैटिक कानून हमारा है उस में ऐसा तो हो नहीं सकता कि दो तीन बच्चों के होने के बाद ऐसा कानून बना दिया जाय कि ज्यादा बच्चे पैदा न हों हालांकि समस्या ऐसी पैदा हो रही है कि शायद वह भी बनाना पड़ेगा। अगर कानून नहीं बनाया गया तो जैसे हमारी फाइव इयर प्लेन पूरी होती जायेगी उसी तरह से जनसंख्या भी बढ़ती चली जायेगी और हमारी दिक्कत उसी तरह बनी रहेगी।

श्रीजती सहोबरा बाइ (सागर रक्षित अनुसूचित जातियाँ) : प्राय ही बन्द कर दीजिये बच्चे पैदा करना। कानून इस म क्या कर सकता है ?

श्री रामेश्वर टाडिया : जैसे भी हो इस को करना पड़ेगा। अगर नहीं तो कानून भी बनाना पड़ेगा। साथ नहीं तो पांच वर्ष बाद बनाना पड़ेगा।

टैक्सेशन के बारे में मैं कहना चाहता हूँ कि अगर हम उस को संतुलित ढंग से कर सकें तो लोगों में उत्साह भी प्रायेगा और वेने की प्रवृत्ति भी प्रायेगी। इन दो महीनों में टैक्सेशन में कोई कमी नहीं हुई परन्तु लोगों में एक कांफेडेंस आया जैसे भी हो लेकिन उत्साह

धायी कि धायद अब कोई नया टक्स धागे नहीं बढ़ने वाला है ।

एकसाइज की धोर में सरकार का ध्यान दिलाता चाहता हूँ । काफी काटन मिलें बन्ध हो रही हैं मजदूर बेकार हो रहे हैं । सरकार का ध्यान कम्पनियों की धोर दिलाया गया उस ने हमारी बात को सुन कर एक सिम्पैटिक बिउ लिया । मतीजा यह हुआ कि इन दो महीनों में २० से ३० परसेन्ट तक शेअर मार्केट में बृद्धि आई जिस से देश के धन में बढ़ोतरी हुई धीर लोगों में कांफिडेंस धायी । इसी तरह मेरा निवेदन है कि जो हमारी समस्याएँ हैं उन पर ध्यान पूर्वक विचार किया जाय तो कोई कारण नहीं है कि हमारी प्लेन सबसेसफुल न हो । हो सकता है कि कुछ धाइटमों को हमें उसमें काटना पड़े लेकिन जो अवरी धाइटम हैं उन को तो पूरा करना ही होगा धीर उन के लिये अगर हम टैक्स लगाते हैं तो उस का क्रिटिसिज्म एक फुल सी बात है । जैसा मैं ने कहा यह तो हम सभी चाहेंगे कि टैक्स कम कर दिये जाय लेकिन कुछ न कुछ दूसरे जरिये हमारी धामदनी के तो होने ही चाहिये ।

एक बात मुझे धीर कहती है कि कुछ ऐसे तरीके हो सकते हैं जिन से नये टैक्स न लगा कर भी हमारी कुछ धामदनी हो सकती है । मेरे एक मित्र कलकते से धाये के उन से मैं ने सुना धीर मैं ने भी इस की धोर ध्यान दिलाया था कि जो सिमिलर कम्पनियाँ हैं याणी एक तरह की कम्पनियाँ हैं उन में से कुछ में तो बाटा दिलाया जा रहा है धीर कुछ में बहुत काफी नफा दिलाया जा रहा है एक धाय कम्पनियों की एन्वारी भी हुई । इस से भले धीर कुछ लाभ हो या न हो लेकिन मैं निश्चयपूर्वक कह सकता हूँ कि इन इन्वैयरीज ने बड़े बड़े लोगों में एक तहसका सा भा दिया । मेरा तो खयाल है कि कम से कम एक सेक्शन में जूट मिल्स से इनकम टैक्स की धामदनी १ करोड़ बढ़ कर २ करोड़ हो जायेगी । इसी तरह से अगर हम अवर्ट रूँ तो

मोजुदा टैक्सों के ही रहते सरकार की धामदनी में कुछ बेसी हो सकती है । जो हमारी प्लेन है उस के लिये हमें खपया तो चाहिये ही धीर इस तरह से हमें खपया मिल सकता है ।

इस लिये मेरा सदन के सदस्यों से भी बहुत नम्रतापूर्वक निवेदन है कि ज्यादा क्रिटिसाइजिग मूड में न हो कर अगर हम सब मिल कर काम करें धीर हमें करना ही पड़ेगा क्योंकि हम चाहें कि धकले मिनिस्टर कोई काम कर सकेंगे तो वह सम्भव नहीं है तो ज्यादा ध्रच्छा होगा धीर जो काम ह्य करने उसे ध्रव्वल चीज समझें तो मुझे ऐसा कोई कारण नहीं दिखलाई देता है कि हम सफलता प्राप्त नहीं कर सकें ।

*Shrimati Manjula Devi (Gwalpara):*  
Mr. Deputy-Speaker, Sir, I do hope that the tormenting thoughts of the mind, seeking solution to the financial problems of our country would find expression in my words. The finances, Sir, at this present juncture, are confronted with a feeling of frustration and confusion. The deep intensity with which we had planned to build up our nation free from all want, had instigated in us an all-out effort to start simultaneously in all directions. But the branching out of our energies and resources cannot find complete success. Consolidation and concentration on one or two specific items would bring quicker results and would be more effective.

The fundamental human necessities such as food, clothing and shelter should be provided first and all energies should be concentrated in that direction. Some minor smaller projects involving some foreign exchange were formerly excluded. Now, they are included and that is how the hard core of the Plan is expanding. It won't be an easy problem to solve and, moreover, defence finances are also encroaching on the Plan projects.

Regarding taxation, there is a psychological reaction in industry and there is a big offensive by the capital-

[Shrimati Manjula Devi]

ists. I think we have to approach it from the point of view of the effect of the repercussions and reactions to these tax proposals. At present, we have reached the maximum. There is a suggestion for imposing a salt tax. But I should think we should not go any further with that proposal.

There should be a certain human approach in public co-operation and co-ordination. That is vitally necessary. Unless we gain the confidence of the people, for whom these plans are executed, it would be utterly useless to expect any success in this field. There would be certain failure of all the schemes if this is not attained.

The Central Social Welfare Board could be of invaluable help in this respect. So also is the case with other social welfare organisations. I think the Central Social Welfare Board should have more complete responsibility, and should work independently in the field of social welfare. The work of the Central Social Welfare Board should be intensified. The implementation of the Plan would then be successful because this Board and other voluntary organisations would be the link between the Government and the people. At the same time, I would like to warn the Board that there should be a selfless spirit of service devoid of favouritism or red-tapism; there is a certain inclination or tendency in this field. I would request the Social Welfare Board to consider this aspect and keep above all such actions. There should be a certain humility and gentle manner of approach in dealing with the people to win their confidence. That would give us greater success than all the plans and all the money laid out for executing those plans.

I should like to suggest that the project officers should be better qualified and they should have more contact with the people. There should be no expansion of the Community

Development Blocks and the National Extension Service Blocks; there should be more consolidation of the existing Blocks. Otherwise, it would be sheer waste. It does not matter at all whether or not the whole country is laid out with them; of course, ultimately we have to, but now we should concentrate on the work done and consolidate our work in the existing Blocks. That would be more effective, and there should be more efficiency in the work of these Blocks.

All construction—either under departments or under the Community Development Blocks—should be stopped until the food problem of the country is solved, at least until the country becomes self-sufficient in food production.

Another point I would like to deal with relates to the farmer's dilemma. Agricultural products have not got the same rise in price as industrial products. Unless there is a reasonable ratio between the two, it is not possible for the farmer to sell his products at a higher rate and get industrial products in exchange. Without a rise in agricultural prices, it is difficult for the farmer to live. The problem should be solved by directly raising the prices of agricultural products. There should be an extensive food production campaign in all spheres of activities and in all sections.

Regarding Scheduled Castes and Scheduled Tribes, the provision of Rs. 300.08 lakhs in the State-sector and Rs. 397.69 lakhs under the Central programme would be sheer waste unless a human approach is made to win their confidence and win them over. We have been working in this field for a long time and we have found that the main obstacle in gaining their confidence is language. We cannot get to them unless we speak in the same language. So I would like to propose that there should be certain training centres for



learning tribal languages and tribal customs. The expenditure can be met from the provision for the welfare of Scheduled Castes and Scheduled Tribes. Unless this is done, welfare work for these people or for the backward areas will not be effective. I am sure even the Naga problem would be much lightened and they would be gradually won over, if they are tackled in this manner, that is to say, by training workers to learn their language and customs, by mingling with them as one among them and thus winning them over. We have a few Naga ladies in our women's organisation in Assam and we have found that these people of the Naga Hills are quite different when they meet us; they open their heart out to us and mix with us as one of us and discuss their problems. So the approach I have suggested is the right approach. This is the only approach that can be made. All the expenses and money set aside for the military in trying to frighten them would be of no avail; it can never win them over. So, this is the suggestion I have to make regarding the Scheduled Castes and the Scheduled Tribes, and even the difficult problem of the Nagas may be successful in this way.

I have to suggest one thing. In this casteless society, if you name some as the Scheduled Castes and Scheduled Tribes that in itself, brings a feeling of separatism and a sense of inferiority complex. I think these names should be removed so that they can be made to feel they are one with the rest of India and that they are equal citizens of India. The only way to remove the sense of separatism is to remove the word 'tribal'. I know from the tribals themselves with whom I have worked, that they do not like to be called tribals; and even the Nagas have felt that.

**Shri Sanganna (Koraput-Reserved Sche. Castes):** If the word 'tribal' is not used in a barbarous or bad way, we have no objection to be called as 'tribals'. But, if it is otherwise, we have objection.

**Mr. Deputy-Speaker:** Order, order.

**Shrimati Manjula Devi:** I am just trying to plead the cause of my tribal brothers and friends. Their point of view has been expressed to me through their organisations, that they do not like to be stamped as such. They can be given facilities and they should be given; and I advocate that all educational and other facilities should be given to them. The naming as such hurts their feeling as equal citizens of India. That some of us should be called or grouped this way makes complexities.

Now, I come to the Special Reorganisation Unit. Improved method of work and efficiency in organisation eliminates not only the additional strength in departmental work but also effects reduction. This Unit has given a proposal that not only the additional strength of departments should be eliminated but there should be reduction in the existing strength if there is to be efficiency and improved method of work. That is very important because it is noted these days that when a Minister passes an order, there are so many notes and comments made for each one must make a note to justify his existence. Sometimes they are so confusing and conflicting that there is necessity for another explanatory note. Waste of time would be eliminated if this Special Reorganisation Unit works effectively and implements the proposals.

There should be co-ordination of Central and State plans. Investigation must be made into the amounts spent by the States from the Central grants. I know of instances in the States—especially in the State from which I come—that amounts set aside for tribal welfare have been returned. There is so much demand for welfare projects in the Tribal areas and other backward areas that I do not see why these amounts have been returned. I think there should be investigation and strong action should be taken so that these amounts are spent for the specific needs for which the allotments have been made.

[Shrimati Manjula Devi]

Then there is eradication of corruption. That is imperative. Unless that is done, none of the plans nor even the entire lay-out of our programme can be successful. Every one should concentrate his efforts to that end. There should be corrective instances. Strong action should be taken and it should be implemented even at the highest level.

These are the proposals I just formed.

श्री ३० प्र० सिंह (मुंगेर) : उपाध्यक्ष महोदय जब भी कभी बैंक बॅंचर्स को बोलने का मौका मिलता है तो वे लोग सदा अध्यक्ष महोदय के प्रति अपनी कृतज्ञता प्रकट करते हैं। मैं समझता हूँ कि इस प्रकार की कृतज्ञता प्रकट करना बेयरमेन महोदय का प्रभान करना है। मैं यह भ्रष्ट करना चाहता हूँ कि बैंक बॅंचर्स के साथ भी समान रूप से व्यवहार होना चाहिये।

यह सुधी की बात है कि देश में धन्न उत्पादन की समस्या की ओर सभी वर्गों का ध्यान आकर्षित हुआ है। राष्ट्रपति महोदय ने अपने अभिभाषण में यह बताया था कि सन् १९५६-५७ में १९५५-५६ की अपेक्षा ५ प्रतिशत: धन्न का उत्पादन अधिक हुआ है। इसके अतिरिक्त बजट भाषण में भी इसका जिक्र किया गया था कि किस तरीके से इस देश में धन्न का उत्पादन बढ़ाया जाय। साथ समस्या की ओर हमारा विशेष रूप से ध्यान गया है। मेरा यह मत है कि यदि सारे राष्ट्र के सामने यह एक केन्द्र बिन्दु से किसी तरीके से हमारा धन्न का उत्पादन बढ़े तो यह कोई मुश्किल बात नहीं है। इस देश में धन्न का उत्पादन बढ़ाया जा सकता है और हम अपनी आवश्यकता से अधिक गल्ला पैदा करके विदेशों में भी उसको भेज सकते हैं। आज योजना के पीछे हमारा अत्याधिक ध्यान आकर्षित हुआ है। मेरी तो यह धारणा है कि आज देश में जो धन्न के उत्पादन से कमी है और उसमें हम मंशा मुआधिक बढ़ोतरी

नहीं कर पा रहे हैं वह इस कारण है कि योजना मीशन में ऐसे लोग उसकी नीति का संचालन करते हैं जिनको कि खेती का पूरा अनुभव नहीं है और इस कारण धन्न का उत्पादन बढ़ने में यह चीज बाधक सिद्ध हो रही है। सोशल जस्टिस के नाम पर जो लोग भूमि वितरण की बात करते हैं मैं समझता हूँ कि उससे देश के धन्न उत्पादन में बहुत कमी हो गई है। हमारे देश की ७० प्रतिशत: आबादी किसान है और इसलिए उनमें विश्वास की भावना पैदा करना यह सरकार का पहला सध्य होना चाहिए। यह सुधी की बात है कि आज देश के सभी वर्गों का ध्यान किसानों की ओर आकर्षित हुआ है और सोचा जा रहा है कि कैसे उनकी अवस्था उन्नत की जाय। लेकिन मैं यह कहना चाहता हूँ कि किसानों में उनकी भलाई के नाम पर भ्रम पैदा किया जा रहा है। भूमिनीति के नाम जितनी बातें हो रही हैं वे सभी भ्रमर्गल हैं और वे असलियत से काफ़ी दूर हैं। आज देश की ७० प्रतिशत आबादी खेती के काम पर लगी हुई है। सरकार यदि यह चाहती है कि और भी अधिक से अधिक लोग खेतीबाड़ी और किसानों के काम पर लग जायें तो मैं समझता हूँ कि उससे हम अपनी आर्थिक समस्या को हल नहीं कर सकेंगे और आर्थिक विषमता की दूर नहीं कर सकेंगे। आज तो चरकरत इस बात की है कि खेती के काम पर लगी हुई संख्या को कम किया जाय और उन को दूसरे वर्गों में लगाया जाय और ऐसी व्यवस्था करके हम इस देश को आगे उन्नति और समृद्धि के पथ पर अग्रसर कर सकते हैं।

आज इंग्लैंड में केवल ६ प्रतिशत लोग किसानों के काम पर लगे हुए हैं। अमरीका में केवल साढ़े १२ प्रतिशत लोग किसानों के काम पर लगे हुए हैं। आप देखेंगे कि जितने भी उन्नत देश हैं उनमें किसानों की संख्या कम है एक हमारा ही देश ऐसा है जहाँ कि सबसे अधिक संख्या में लोग किसानों के काम पर लगे हुए

हैं। हमारे सामने कोई एक निश्चित योजना और कार्यक्रम होना चाहिए जिसके कि अर्धीन हम कम से कम लोगों को खेती के काम पर लगायें और उनको अन्य ढंगों में लगायें। मुझे यह कहने के लिए माफ़ किया जाय कि योजना कमिशन के विद्वान सदस्यों को न तो कृषि की ही जानकारी है और न किसानों के रहन सहन की ही। इसलिए जो कुछ भी वह सोचते हैं वह व्यवहारिक नहीं है। किसानों की अवस्था भूमि सुधार कानून और ज़मीन के बंटवारे से वे हल करना चाहते हैं जो कि भ्रममूलक है। सोशलिस्टिक पैट्रन की बात की जाती है . . . . .

**Mr. Deputy-Speaker:** For one second I may interrupt the hon. Member. I was told by the hon. Speaker that he had already announced that no hon. Member should come to the Chair. That causes embarrassment to the Chair. The same purpose can be served if the hon. Member writes a chit. Every consideration would be given to that. I would request and solicit the co-operation of hon. Members and they should observe this. They should not try to come here. They can write to the Chair and whoever is in the Chair proper consideration would be given and the same purpose would be served.

**Shri Thimmamah (Kolar—Reserved—Sch. Castes):** Some names were already submitted to you.

**Mr. Deputy-Speaker:** Then he need not worry about it. If he has submitted his name, he should try to catch the eye.

**श्री ड० प्र० सिंह :** पहले अंग्रेजों के वक्त में जब ज़मींदारी प्रथा थी तो किसानों को जितनी सहुलियतें प्राप्त थीं वे सहुलियतें इस सरकार के आने से प्रायः खत्म हो गई हैं। पहले यह भूमि कानून था कि लगान की न अदायगी की सूरत में उतने ही मूल्य की ज़मीन नीलाम होती थी लेकिन आज किसानों द्वारा लगान न अदा करने की सूरत में ज़मीन गिरफ्तारियां होती हैं और उनकी बल

सम्पत्ति कुर्क हो जाती है और उनको जेल भेजने की बातें होती हैं। मैं समझता हूँ कि आज किसानों को इस भूमि लगान सम्बन्धी कानून से संतोष नहीं है। आप आज सोशल जस्टिस के नाम पर बहुत सी बातें करते हैं। लेकिन मैं पूछना चाहता हूँ कि क्या यही आपकी सोशल जस्टिस है कि एक चपड़ावी की तो तनख्वाह ३० रुपये माहवार हो और एक उच्च सरकारी कर्मचारी की तनख्वाह ३००० रुपये प्रति मास हो? आज भूमि पर सीलिंग फ़िक्स करने की बहुत चर्चा चलती है। मैं भी इसको स्वीकार करता हूँ कि एक सीलिंग नियत होनी चाहिए लेकिन मैं समझता हूँ कि वह सीलिंग रुपये के रूप में हो और सभी वर्गों पर समान रूप से हो, वह खाली किसानों के लिए ही न हो।

मैं ने योजना मंत्री महोदय के समक्ष यह प्रश्न रक्खा था कि हमारी सरकार को भारतीय नागरिकों का एक न्यूनतम जीवन मान स्थिर कर देना चाहिए और मंत्री महोदय ने मुझे यह विश्वास दिलाया था कि यह बड़े महत्व का विषय है और इसे दूसरी पंच वर्षीय योजना में रक्खा गया है। दूसरी पंचवर्षीय योजना में उसका भी ज़िक्र है लेकिन आज तक वह न्यूनतम जीवन मान स्थिर नहीं कर सके हैं। मैं यह जानना चाहता हूँ कि आज उस सम्बन्ध में क्यों ढील दी जा रही है? मेरा तो यह खयाल है कि यदि आप न्यूनतम जीवन मान स्थिर नहीं कर सकते हैं तो आप देश के अन्दर से अनएम्प्लायमेंट भी दूर नहीं कर सकते हैं क्योंकि लोगों की आवश्यकताएँ भिन्न भिन्न हैं। मैं चाहता हूँ कि आप एक न्यूनतम जीवन मान स्थिर करें और जो न्यूनतम जीवन मान हो वह किसानों के लिए भी स्थिर करें।

मैं समझता हूँ कि सामन्तवाही खत्म हो गई, ज़मींदारियां खत्म हो गईं और अब किसानों को खत्म करने की बारी आई है। आप को किसानों के दिल में अपने प्रति विश्वास का भाव पैदा करना चाहिए। आप

[भी ६० प्र० सिंह]

भूमि वितरण की बातें करते हैं लेकिन क्या आपने देखा है कि चीन में इस सम्बन्ध में क्या हुआ है ? वहाँ पर जो रिएक्शनरीज जमींदारों की जमीन थीं, उनको वहाँ की सरकार ने एग्ज़ेरियन किसानों के बीच में बांट दीं । इस सम्बन्ध में मैं बी एग्ज़ेरियन रिफार्म ला प्राफ़ दी पीपुल्स रिपब्लिक प्राफ़ चाइना नामक पुस्तक में से कुछ उद्धरण पेश करना चाहता हूँ :

"Land owned by rich peasants and cultivated by themselves or by hired labour and their other properties shall be protected from infringement. Land and other properties of middle peasants (including well-to-do middle peasants) shall be protected from infringement."

मध्यम वर्ग और अमीर किसानों के प्रबन्ध में कोई हस्तक्षेप नहीं किया है । जहाँ तक बड़े किसानों का सम्बन्ध है उनके बारे में यह दिया हुआ है ।

"If the portions of land rented out by rich peasants of a semi-land lord type exceed in size the land tilled by them or by hired labour, the land rented out should be requisitioned."

मेरे कहने का मतलब यही है कि प्लानिंग कमिशन में जो हमारे विशेषज्ञ लोग हैं उनको किसानों की स्थिति से जानकारी नहीं है । वे वास्तव में किसानों की भलाई करना चाहते हैं । उनकी ईमानदारी में कोई शक की गुंजाइश नहीं है लेकिन उनको इस बात की जानकारी नहीं है कि किस तरीके से उनकी उन्नति हो सकती है और हमारी पैदावार बढ़ सकती है । जिसका कि यह परिणाम होता है कि भलाई के बदले किसानों की बुराई हो जाती है ।

आज यह आम खयाल पाया जाता है कि जमीन पर एक सीलिंग होनी चाहिए

मैं भी कहता हूँ कि सीलिंग होनी चाहिए । लेकिन सीलिंग किस की होनी चाहिए ? वह रुपये के रूप में होनी चाहिए और सभी वर्गों के लिए समान रूप से होनी चाहिए । अब भूमि नीति में आपने ३६०० रुपये की एक परिवार के लिए अधिकतम आय रखी है १२०० रुपये एक फ़ैमिली होल्डिंग की आय रखी है अर्थात् ३ फ़ैमिली होल्डिंग्स की सीलिंग ३६०० रुपये रखी है जब कि एक व्यवसायी के लिए ३०,००० की आय की छूट दी है और एक सरकारी कर्मचारी का उच्चतम वेतन ३००० रुपये रखा है । सोशलिस्टिक पैट्रन के अनुसार यह कहां तक जायज़ है यह समझने की बात है । इस तरह का भेदभाव रखते हुए आय का अन्न उत्पादन कैसे बढ़ सकता है ? एक व्यक्ति को जो ग़ैर-किसान है और दूसरे तरीके से आय कमाता है उसको तो आपने ३००० की आय पर छूट दी है लेकिन एक किसान जो १० कट्टा जमीन भी जोतता है उससे लैंड रेवेन्यू लिया जाता है । आज हम कहते हैं कि जमींदारी प्रथा नष्ट हो गयी है । लेकिन वास्तव में जमींदारी प्रथा नष्ट नहीं हुई है । जमींदारी की जगह सरकार आ गयी है और जमींदारी के वक्त में किसानों को जो सुविधायें प्राप्त थीं वे प्रायः नष्ट हो गयी हैं । मेरे कहने का मतलब यह है कि जो आज आप सीलिंग की बात करते हैं वह आप केवल किसानों के लिए ही करते हैं । यह सोशल जस्टिस नहीं है । आज आप अन्न का उत्पादन बढ़ाना चाहते हैं लेकिन वह जमीन के छोटे छोटे टुकड़ों से नहीं बढ़ सकता । साथ ही प्रश्न यह है कि आप गरीबों को जमीन दें या नहीं मैं चाहता हूँ कि गरीबों को जमीन दी जाये और गरीबों को देने के लिए हमारे यहां काफी जमीन पड़ी है । अभी जितनी जमीन हमारे यहां आबाद होने को खाली पड़ी हुई है वह इस प्रकार है । कुल जमीन का आँकड़ा में ४१.२ प्रतिशत, आसाम में १४.२ प्रतिशत, बिहार में ४५.३, प्रतिशत, बम्बई में ५४.७

प्रतिशत, जम्मु काश्मीर में २८.५ प्रतिशत फँसो है आदि आदि। तो मेरे कहने का मतलब यह है कि आज हमारे देश में इतनी जर्मन फँसो पड़ी हुई है। यह जमीन भूमिहीन किसानों को दी जा सकती है और इस प्रकार देश का उत्पादन बढ़ाया जा सकता है। आज आप सीलिंग का नाम लेकर उसे केवल एक वर्ग पर लागू करना चाहते हैं। अगर सीलिंग आप लागू करें तो समान रूप से सब पर लागू करें और ज्यादा से ज्यादा जमीन का सीलिंग होना चाहिए ताकि लोग उसमें वैज्ञानिक ढंग से खेतों कर सकें। मैं समझता हूँ कि जिस तरह की सीलिंग का बात हिन्दुस्तान में की जाती है उस तरह की बात और किसी देश में नहीं की जाती। आज आप देखें कि ईजिप्ट में २५० एकड़ की सीलिंग रखी गयी है और अगर परिवार में एक व्यक्ति बढ़ता है उसके लिए ५० एकड़ बढ़ जाना है उच्चतम सीलिंग ३५० एकड़ की हो जाती है। इसी तरह से पूर्वी जर्मनी में भी २५० एकड़ की सीलिंग है। लेकिन हिन्दुस्तान में यह बात देखी जाती है कि जब आप उत्पादन बढ़ाना चाहते हैं तो किसानों के प्रति इस तरह का व्यवहार कर रहे हैं। मेरी समझ में नहीं आता कि इस अवस्था में देश का उत्पादन कैसे बढ़ेगा।

अब देखना यह है कि हम किसानों की आवश्यकता को कहां तक पूरा कर पा रहे हैं। आज देश के किसान रॉढ़ हैं। आज देश की आबादी का ७० प्रतिशत किसान है। लेकिन उसका आर्थिक आय क्या है। अगर देश की सारी सम्पत्ति किसानों में भी दी जाये तो आप किसानों की आर्थिक अवस्था में सुधार कर सकते हैं। आप देखें कि देश की औसत आय २८४ रुपये है तो किसान की औसत आय केवल १०४ रुपये ही है। किसान के लिए आप जो भी बांटने की बात करते हैं वह इस १०४ रुपये को ही बांटने की बात करते हैं। आप कहते हैं कि दूसरी पंचवर्षीय योजना में देश के लोगों की आय में २५ प्रतिशत की वृद्धि हो जायेगी। मैं कहता हूँ

कि अगर इसी अनुपात से किसानों को आय भी बढ़े तो किसानों की आर्थिक समस्या मुख्यमय नहीं हो सकती है। किसानों से आपने जो वायदा किया था उसको आप धीरे धीरे भूल रहे हैं। किसानों को कहा गया था कि स्वराज्य होने के दस वर्ष के अन्दर ६ से १४ वर्ष तक की उम्र के बच्चों के लिए शिक्षा का प्रबन्ध किया जायेगा। लेकिन आज कहा जाता है कि द्वितीय पंचवर्षीय योजना के बाद हम ६ से ११ वर्ष तक के बच्चों के लिए शिक्षा का प्रबन्ध कर सकेंगे। मैं कहता हूँ कि यह किसानों के प्रति न्याय नहीं कहा जा सकता।

अब आप देखें कि आज देहातों में चेषक की बीमारी बहुत जोरों पर है। ऐलोपैथिक साइंस की इतनी उन्नति होने पर भी मीजिस्स और चिकिन पाक्स के लिए सरकार कोई प्रिवेंटिव मेजर नहीं निकाल पायी है जिसका परिणाम यह हो रहा है कि आज इन बीमारियों से किसानों के बच्चे की रखा नहीं हो रही है और लाखों बच्चे इन बीमारियों के कारण मर रहे हैं। ऐलोपैथिक साइंस ने आज इतनी तरक्की की है लेकिन उपरोक्त दो बिमारियों से बचने के लिए अभी तक कोई गुंजाइश नहीं निकाल सकी है।

देश की आर्थिक अवस्था को देखते हुए आज जिस तरह से देश के शासन का खर्च बढ़ रहा है, अगर इसी तरह खर्च बढ़ता रहा तो आपके पास डेवलपमेंट के लिए पैसा नहीं बचेगा। हमारे बड़े बड़े नेता लोग सामुदायिक विकास खंडों की बातें करते हैं और उससे बड़ी उम्मीद रखते हैं। लेकिन मैं आपको बताना चाहता हूँ कि सामुदायिक विकास खंडों (राष्ट्रीय विस्तार सेवा खंड) के लिए बजट से चार लाख रुपये रखा जाता है तो केवल ७५ हजार कृषि पर खर्च होता है। इसी तरह से अन्य सामुदायिक योजना की बात है। आज आवश्यकता इस बात की है कि ज्यादा से ज्यादा रुपये कृषि पर लगे।

[श्री ब० प्र० सिंह]

भापने कराची के प्रस्ताव में कहा था कि स्वराज्य होने पर अधिकतम वेतन ५०० रुपया होगा। लेकिन वह भावना आज नजर से धोखा हो गया है। किसानों के लिए प्राय ३०० रुपया मासिक तमाम परिवार के लिए पैसा चाहते हैं तो क्या प्रायके सरकारी कर्मचारी ५०० रुपया मासिक में काम नहीं चला सकते आज प्राय हर चीज में खर्च बढ़ाते जा रहे हैं। प्राय किसानों का नाम लेते हैं लेकिन किसानों का वास्तविक सुधार नहीं कर पा रहे हैं। एक बार बल्लभभाई पटेल ने कहा था कि किसान को स्वराज्य प्राया तब समझना चाहिए जब उसके घर में अगर प्राय एक टोटी पकती है तो उस समय दो रोटियां पकने लगे तभी किसान को समझना चाहिए कि स्वराज्य प्रा गया।

प्राय हरिजन उत्पादन के लिए हम पैसा खर्च कर रहे हैं लेकिन जो हरिजनों की प्राय है उसका तीस प्रतिशत वे शराब से खर्च कर डालते हैं। गांधी जी ने एक बार कहा था कि अगर मुझे पूरा अधिकार एक दिन के लिए भी मिल जाये तो मैं सबसे पहला काम यह करूं कि देश में शराब को बन्द कर दूं। प्राय स्वराज्य मिले दस वर्ष का समय हो गया लेकिन हम शराबखोरी को बन्द नहीं कर सके हैं और हम हैलथ के लिए पैसा खर्च कर रहे हैं। मैं कहता हूं कि कोई विशेषज्ञ यह कह दे कि शराब पीने से स्वास्थ्य बनता है तो मैं कहूंगा कि उसे लागू रहने दीजिये। ये हरिजन जो कि बगैर पड़े लिसे हैं ये अपना पैसा शराब पर खर्च कर रहे हैं। जो संस्था महात्मा गांधी के नाम से काम कर रही है उसी का प्राय शासन है, फिर भी शराबखोरी बन्द नहीं होती यह मेरी समझ से नहीं प्राता। जब तक यह दशा है प्राय गरीबों को किस तरह से न्याय दे सकते हैं।

मेरा निवेदन है कि प्राय प्राय उत्पादन बढ़ाने पर ज्यादा से ज्यादा ध्यान दें और

उस तरह हमको अपनी सारी क्षमता लपानी चाहिए। इसके लिए जरूरी है कि भूमि सम्बन्धी कानून के कारण जो किसानों में गणतन्त्रहीनी पैदा हो गई है उसे दूर करें। मैं योजना कमीशन के माननीय सदस्यों से निवेदन करूंगा कि प्राय जो देश की पैदावार से कमी हो गयी है उसका बहुत कुछ कारण योजना कमीशन की भूमि सम्बन्धी नीति है। मैं समझता हूं कि इन लोगों को खेती का व्यावहारिक ज्ञान नहीं है। इसी कारण देश में प्रथमस्था फल रही है। प्राय हमारे सामने सबसे बड़ी समस्या अन्न का उत्पादन बढ़ाने की है। हमको अपनी सारी शक्ति इसी तरह लगानी चाहिए और इसके लिए जरूरी है कि हम किसानों से विश्वास पैदा करें। प्राय जो सीलिंग की बातें हो रही हैं यह केवल किसानों के लिए ही न हो। अगर हो तो समान रूप से सब वर्गों के लिए हो। साथ ही कराची प्रस्ताव के अनुसार प्राय ५०० मासिक के वेतन को भी लागू करें। मैं देखता हूं कि १९४० में जो शासन का खर्च था प्राय उससे पांच गुना बढ़ गया है और हम प्राय किसी भी नेता को यह कहते नहीं सुनते कि शासन का खर्च कम किया जाये। प्राय प्राय किसानों से कहते हैं कि उत्पादन बढ़ाना चाहिए। १९०९ में बिहार में सर्वे हुआ था। उसकी प्राय के काम से तुलना करने से मासूम होता है कि सरकार किसानों की ओर से उदासीन रही है। मैं दो मिनट और लेना चाहता हूं।

उपान्यस्य महोदय : १५ मिनट के बजाय माननीय सदस्य २० मिनट तो से चुके। और दो मिनट और लेना चाहते हैं।

श्री ब० प्र० सिंह : प्रच्छा तो मैं अपना माषण समाप्त करता हूं। भापने जो समय दिया उसके लिए धन्यवाद।

Shri Mahanty: Mr. Deputy-Speaker, Sir, I regret I will not be able to make any reference to the Plan, not on account of any disability on my part

but as a result of the deliberate attempt on the part of the Government to keep this House in the dark about the Plan. Sir, it is well known that our Second Five Year Plan is called a series of annual plans within the broad frame work of the Five Year Plan. Unless we are going to discuss the Plan in vacuum, unless we are going to make a fun of it, may I know from the Government, even though two years have passed, where are the annual reports for the last two years of our Plan? Therefore, Sir, it is as a protest against this attitude of the Government to take this House into confidence on such vital matters, I would not mention anything about the Plan even though this discussion is taking place on the Demands relating to the Ministry of Finance and Planning.

Mr. Deputy-Speaker: I was getting apprehensive, lest there be a protest against the Chair.

Shri Mahanty: No, Sir; far be it from my mind—it is a protest against the Government's attitude.

We were told that before we take up this particular matter the annual reports for the last two years will be circulated to us. I find, Sir, that the Finance Minister is happily engaged in conversation. It would be better if he conveys it to his colleagues in the Planning Ministry and something is done about it; otherwise, no intelligent discussion can take place on the Plan.

Shri Braj Raj Singh (Firozabad): He is not in a mood to hear.

Mr. Deputy-Speaker: There are three Ministers attending to the discussion.

Shri Mahanty: Sir, since the time is short, I would like to address myself to two or three aspects of the Finance Ministry. Much has been said this morning about the nationalisation of banks. It has been pointed out very effectively how this private banking system has been operating in a manner to frustrate all our social and objectives. But, I am

one of those who do not believe that nationalisation is the panacea for all the evils.

In that context, I would like to invite the attention of this House to the State Bank of India which is a nationalised bank. And, that brings me to Mr. Mundhra. I have no intention to refer to Mr. Mundhra because he is not present in this House; but Mr. Mundhra is not a person, he is a symbol.

Mr. Deputy-Speaker: He is very much present during the last so many months.

Shri Mahanty: What I have been saying is that he is not a person, he is a symbol. I hope the spokesman of the Finance Ministry will go to his aid when he replies, if he chooses to reply at all. Sir, Mr. Justice Chagla took exception to the L.I.C. deal with Mr. Mundhra on account of the fact that Mr. Mundhra's antecedents were well known and L.I.C. going into the purchase of shares worth Rs. 1,40,00,000 was nothing short of putting a premium on his industrial adventurism. I would better read what Mr. Justice Chagla has said in the course of his findings. He says:

"When Mr. Mazumdar was asked what was the state of knowledge of the Ministry of Finance with regard to Mundhra in the beginning of June, 1957, he answered that the state of the knowledge was that he was using dubious methods, that he was a dashing young industrialist, keen on building up an industrial empire whose methods were not above board, and that his antecedents were not very reputable and his reputation was not such as could be trusted.

Sir, this only relates to a transaction which amounts to Rs. 1,40,00,000. But, as the House knows, the State Bank entered into an over draft with Shri Mundhra for Rs. 5.5 crores. I would like to ask this House to consider whether premium has not been put on

[Shri Mahanty]

Mundhra's industrial adventurism. If exception could be taken to L.I.C. going in for shares worth Rs. 1,40,00,000, I would like to know on what basis, in the face of this knowledge which the Reserve Bank had in their possession, overdraft arrangements could be finalised for Rs. 5.5 crores. I have got here the evidence of Mr. Bhattacharyya which he tendered before the Commission on January 23rd. He was asked by the Chairman, when Mr. Battacharyya said:

"There was no guarantee that the money advanced by the State Bank was being put to proper use by the barons".

15-00 hrs.

These are the words of Mr. Bhattacharyya, who is the Chairman of the State Bank of India. I would like to know what it is. Somebody should answer it. Otherwise, it will be our duty to carry this to persons outside and to ask why and on what account this State Bank of India, which is after all in the public sector, could enter into the overdraft arrangement with Mundhra for Rs. 54 crores. It has been said that these advances were made against goods, but nobody during the deposition that was tendered before the Chagla Commission could understate the very fact whether all the goods in Richardson and Cruddas and in Jessops were verified—the stocks verified or not—before the advances were made. I would like to know from the Government how much money has been realised from Mundhra concerns since then. It is a matter not for joking, not for making a broadside but it is for clearing the Augean stable of our administration.

During the debate on the general budget, I had pointed out how the order of the Income-tax Commissioner at Calcutta against Mundhra was withdrawn—I mean the attachment order. At that time, Mundhra was

owing the Income-tax Department a sum which which was to the extent of Rs. 45 lakhs. And now one Mr. Ranganathan of the Finance Ministry now sends a chit to the LIC to carry on, go ahead. The attachment order was withdrawn. Mr. Nadar was asked how and on what basis the order was withdrawn. But Mr. Nadar sought refuge under the secrecy of the Income-tax Act. Now, the hon. Minister of Finance did not choose to give us a reply. Why, Sir, this mantle of secrecy is thrown about it? If the Government feel quite overboard about this transaction they must take the House into confidence. Therefore, as I was saying, this Finance Ministry had some sort of mysterious relationship not only with Mundhra but with all the rest of them, whom somebody has described this morning very aptly as the financial sharks.

I come now to foreign exchange. We demanded a public enquiry with regard to this foreign exchange crisis which was a man made crisis. We are not going to be satisfied with the kind of documents that have been circulated to us. The fact has to be remembered that in this foreign exchange, the private sector has been granted certain advantage at the cost of the public sector. Before I give some figures in this connection. I would like to preface my remarks about foreign exchange by saying that the average annual rate of foreign exchange expenditure during the second Five Year Plan period was estimated at Rs. 8.68 crores. Now, out of this, in the year 1955-56 the foreign exchange allotment to the private sector was of the order of Rs. 546 crores, whereas to the public sector it was of the order of Rs. 205 crores. In 1956-57 the foreign exchange allotment to the private sector was of the order of Rs. 661 crores to the public sector it was of the order of Rs. 416 crores. The outstanding commitments on 30th September, 1957 were Rs. 400 crores in the private sector and Rs. 589.72 in the public sector. If we total all this, what do we find? So far as the foreign exchange component



of the Five Year Plan is concerned, the private sector has got Rs. 1,607 crores whereas the public sector will get Rs. 1,201.72 crores. After some genius has bungled, after some genius has manipulated this kind of shameful affair, what do we find? What we find is a sort of cordon of austerity imposed on the consumers so much so that you have to pay much for a tin of cheese today in the market. We have to pay a fantastic price of Rs. 8-8-0 for a small tin of cheese. We are not going to be satisfied with this kind of document. We would like to know in the face of your professions of expanding the frontiers of socialistic economy, in view of your professed objectives of furthering the country and taking it forward to socialism, how these foreign exchange requirements have gone in favour of the private sector than the public sector. That is the limited issue. It has to be investigated and I believe no mantle of secrecy will be thrown about this matter. If it is exposed to the persons, that will be a very healthy thing and that will be both in the public interest and national interest.

I now come to another issue, and that is the evasion of income-tax. I am sorry to say that though during the debate on the General Budget I pointed out certain specific instances, the Government did not choose to reply. I will now bring to the notice of the Finance Ministry another specific instance, and I believe the Finance Ministry will have some moral courage and they will have some sense of political duty to answer these charges. On 27-9-1956, the Minister of State for Finance was replying to the question relating to the Income-tax Investigation Commission. He replied:

"About 1,200 cases were reported to the Investigation Commission. Some of the cases were investigated and settled and nearly 50 crores of concealed income was found and nearly Rs. 23 to Rs. 29 crores was to be realised".

I am not going into the broader question. I am merely confining my remarks to this estimate of Rs. 28 crores to Rs. 29 crores which, according to the Government, was to be realised from the few cases of income-tax evasions that came up before the Commission. But, on the 18th February, 1958, the Deputy Minister of Finance replied in this House to a question on this subject that all the amounts of income-tax settled by the Income-tax Investigation Commission had not been realised from the assessees due to various reasons. The total amount realised so far was Rs. 10.21 crores and the remaining amount to be realised was Rs. 7.93 crores. If you total up these amounts, Rs. 10.21 crores plus Rs. 7.93 crores, it comes to Rs. 18.14 crores. I would like to know from the Government how this estimate of Rs. 28 crores was reduced to Rs. 18 crores. Let me not be told that the Supreme Court has declared all this *ultra vires*. It has been held subsequently that so far as this particular matter is concerned, where the parties agreed to come to a settlement and the amount was determined, there was no element in it to declare it *ultra vires*. We would like to know how this Rs. 10 crores has gone and probably to make up for this, the consumers, the common men at large, are being asked to pay through their nose, through all kinds of enhanced excise duties and all kinds of direct and indirect taxes.

This is only one instance. When Prof. Kaldor said that the income-tax evasion in this country was of the order of Rs. 200 crores, I was a bit sceptic but now, in the light of the experience that we are getting I believe he was probably correct. Otherwise, we do not know how this Rs. 28 crores could be reduced overnight to Rs. 18 crores, and where the balance of Rs. 11 crores will go. We can have only two conclusions from it. Either the Government takes this House in a cavalier spirit,—whatever strikes their imagination or fancy, they go on petering out,—or they think probably the memory of this House is very short. If I had time I

[Shri Mahanty]

would have dwelt on this point extensively. We all know what has been the extent of income-tax evasion. We would like to know what steps Government are proposing to take in the matter, because we knew, on the admission of the ex-Finance Minister, Shri C. D. Deshmukh, that in this country the income-tax evasion has been going on of the order of Rs. 30 crores to Rs. 40 crores. What steps have Government taken in these cases? Therefore, we are constrained to come to the conclusion that all these kinds of slogans are merely meant to cheat the people and to force them to pay a premium on account of all kinds of mal-administration, corruption and favouritism, and that too in the name of socialism.

Before I conclude, I would once again like the Government to enlarge the scope of the enquiry that has now been going on against the public officials concerning the LIC deal. It is not the three particular officers alone who are concerned with it. I take full responsibility for stating that the entire Finance Ministry, from top to bottom, was involved in this. It is not merely Mr. Kamat, Mr. Vaidyanathan or the other gentleman, Mr. Patel. Beginning from the Central Board of Revenue who control the income-tax departments, right from the top to the bottom, everybody was involved in this. I would like that no mantle of protection should be drawn around Mr. Jengar and Mr. Bhattacharya. They should be also brought under the purview of this enquiry, if this Government is going to absolve itself of the allegation that has been made.

We did not wish to strike a note of discord when the resolution of 19th February was discussed in this House, when it was proposed that a committee should be constituted to go into the allegations which have been mentioned by Justice Chagla against public officers. It is not only those three officers, but there are many more and it is only a full-blooded and

impartial judicial enquiry which would reveal what was the truth and of what colossal magnitude it was.

श्री राध कृष्ण (महेश्वरगढ़) : माननीय उपाध्यक्ष महोदय, जहां तक कि सैकंड फ्राइव यीथर प्लेन की कामयाबी का सवाल है, मैं समझता हूँ कि उस का दारोमदार सब से ज्यादा फ्राइवेंस मिनिस्ट्री के काम पर है, क्योंकि वह नेसेसरी रिजोसिज रेज करती है और गवर्नमेंट की टैक्सेशन पालिसी को रेगुलेट करती है। जहां तक टैक्सेशन पालिसी का ताल्लुक है, हमारी पालिसी ऐसी होनी चाहिए कि जो भी टैक्स लगाया जाय, उस से ज्यादा से ज्यादा इनकम हो, शरीब लोगों पर उस का बोझ कम पड़े और उस में टैक्स एवोजन के चासिज कम हों, ताकि सैकंड फ्राइव यीथर प्लेन में हमारा जो यह उद्देश्य है कि हम बैल्स और इनकम की मौजूदा डिस्पैरिटीज को खत्म करें, वह पूरा हो।

जहां तक टैक्स एवोजन का सवाल है, इस के बारे में इस हाउस में काफ़ी चर्चा की गई है, क्योंकि यह एक बहुत ग्रहम सवाल है, और मैं समझता हूँ कि खास तौर पर इनकम टैक्स में यह बहुत ज्यादा पाया जाता है। इस को रोकने के लिए और यह मालूम करने के लिए कि इस के मुख्य कारण क्या हैं, १९४७ में इनकम टैक्स इन्वेस्टीगेशन कमीशन मुक़र्रर किया गया था। यह कमीशन हर साल अपनी रिपोर्टें शायी करता है। मेरी अपील है कि इन रिपोर्टों को बाकायदा हाउस की टेबल पर रखा जाय, ताकि पार्लियामेंट के मेम्बरान यह समझ सकें कि यह चोरी क्यों होती है और इस को कैसे रोका जा सकता है। मैं ने इन रिपोर्टों को और से पढ़ा है और मैं इस नतीजे पर पहुंचा हूँ कि सब से बड़ा कारण यह है कि जो बड़े बड़े बिजिनेसमैन हैं, वे अपना कारोबार ज्यादातर कैश ट्रांजेक्शन्स में करते हैं, मानी वे जो माल बरीरह की बिज्नी करते हैं, उस को वे अपनी एकाउंट बुक में नहीं दिखाते। इस को

रोकने की सब से ज्यादा जरूरत है, क्योंकि जो फंड्स उन को मिलते हैं, उन को वे बैंकों में जमा करते हैं, क्योंकि बैंक्स पर भी उन का कब्जा है। इनकम टैक्स इन्वेस्टीगेशन कमीशन ने भी अपनी रिपोर्ट में इस बात का जिक्र किया है। मेरी राय यह है कि इस कार्यवाही को रोकने का एक वाहिव तरीका यह है कि बैंक्स को नेशनलाइज किया जाय। सन् १९५० में इनकम टैक्स इन्वेस्टीगेशन कमीशन ने अपनी जो रिपोर्ट पेश की थी, उस में कहा गया है—

“Unfortunately some of the banks appear to be under the control of the very persons whose financial activities seem to require scrutiny.”

इस के अलावा इस से पहले भी सन् १९४९ में जो रिपोर्ट पेश की गई थी, उस में भी इस बात का जिक्र किया गया कि इन बैंक्स को नेशनलाइज करना बहुत जरूरी है। इसलिए मैं खास तौर पर इस बात की अपील करता हूँ कि अगर हम इनकम टैक्स में होने वाले एवोजन को रोकना चाहते हैं, तो उस का सब से बेहतर तरीका यह है कि जल्दी से जल्दी तमाम बैंक्स को नेशनलाइज किया जाय। ऐसा करने से इनकम टैक्स की चोरी भी कम होगी और इस के अलावा बैंक्स में जो डिपाजिट बगैरह होता है, वह तमाम नेशनल कार्यों के लिए यूटिलाइज किया जा सकेगा। इस में कोई खास दिक्कत भी नहीं आयगी, और जो शिड्यूल्ड बैंक्स हैं, उन की तादाद ६० के करीब है। इस के अलावा बैंक्स में जो डिपाजिट होता है, वह बढ़ता जा रहा है। पिछले साल १,५०० से ऊपर डिपाजिट हुआ था और अन्दाजा है कि इस साल उससे ज्यादा डिपाजिट होगा। इसलिए मैं इस बात के लिए खास तौर पर जोर देता हूँ।

इनकम टैक्स की चोरी का दूसरा मुख्य कारण यह है कि इनकम टैक्स की अदायगी से बचने के लिए बहुत से बड़े बड़े जायंट स्टॉक कम्पनीज के मालिकान कर्बों नामों से अपनी

रक्या इन्वेस्ट करते हैं और क्रिकेटीवास नामों से शेर खरीद लेते हैं और पता नहीं चलता है कि असली मालिक कौन हैं। बजाहिर शेयर्य कई नामों में दिखाई देंगे, लेकिन उन का असल मालिक एक होता है। इससे भी इनकम टैक्स की वसूली में बड़ी दिक्कत होती है।

इस के बारे में मैं एक मिसाल भी पेश करना चाहता हूँ। डालमिया दादरी सीमेंट कम्पनी के तकरीबन चालीस शेयर-होल्डर्स हैं, जिस का शेयर कैपिटल २५ लाख के करीब है। उस के शेयर-होल्डर्स तो चालीस हैं, लेकिन असल मालिक एक है। जितने भी शेयर-होल्डर हैं, वे ज्यादातर या तो सेठ डालमिया के एम्पलाईज हैं, या उस के रिश्तेदार हैं। इस किसम की मिसालें आप को और भी बहुत सी जगह मिलेंगी। बल्कि पिछली दफा में ने यहां इस बात का चर्चा भी किया था कि पिछली दफा जो ४,८०,००० रुपये के शेयर पेन्डु गवर्नमेंट के सेठ डालमिया ने खरीदे थे, वे भी उन्होंने अपने मुलाजिम लखोटिया के नाम रजिस्टर कराये थे, जो कि भारत इन्वोरेंस कम्पनी के एम्बेजलमेंट केस में इन्वाल्ड है। आप खुद अन्दाजा लगा सकते हैं कि एक गरीब मुलाजिम ४,८०,००० रुपये के शेयर कैसे खरीद सकता है। जो सालाना रिपोर्ट पेश की गई है, उस के पेज ५२ पर भी इस बात का जिक्र किया गया है और कहा गया है कि—

“Under section 247 of the Act during this year, the company involved is Dalmia-Dadri Cement Limited registered in the State of Punjab. The Inspector's report is expected to be submitted to the Government in a few months' time.”

मैं इस बारे में अपील करूंगा कि यह मामला बड़ा महत्व है इसलिये इन तमाम लेक्चर का असली ध्यानरक्षित मालूम करने के लिए गवर्नमेंट एक कमीशन म्कूरर करे ताकि इस किसम की कार्यवाहियाँ बन्द हों और

[श्री राम कृष्ण]

इनकम टैक्सों की चोरी बन्द हो। जहाँ तक इस कम्पनी का सवाल है यह मामला बड़ा कांफ़लीकेटिड और सीरियस है और इस में और भी मामले इन्वाल्व्ड हैं। इस लिए मेरी अपील है कि इस को भी टेन्डूलकर कमीशन को रेफर कर दिया जाय। भान-रेविल मिनिस्टर आफ कामर्स एंड इंडस्ट्री ने भी ३१-३-५८ को मेरे एक सवाल के जवाब में इस तरह इशारा किया था। उन्होंने कहा था कि शुरू में यह तजवीज थी कि इस कम्पनी की एन्वयरी भी टेन्डूलकर कमीशन के सुपुर्द कर दी जाय लेकिन चूंकि बाद में इस की अपील सुप्रीम कोर्ट में हो गई इस लिए ऐसा फ़ैसला नहीं किया गया। अब जब कि सुप्रीम कोर्ट से अपील खारिज हो चुकी है कोई वजह मालूम नहीं होती कि इस को फिर टेन्डूलकर कमीशन को रेफर न किया जाय।

इस के भलावा मेरी यह भी तजवीज है कि इस वक्त जो शेयर्स वगैरह ट्रांसफर किए जाते हैं उन को रोकने के लिए हमें कम्पनीज एक्ट में तब्दीली करनी चाहिए ताकि इस किस्म के फ्रिक्टीशस शेयर सत्म हों और इनकम टैक्स की चोरी कम हो।

अब मैं उस इनकम टैक्स की रकम के बारे में कुछ कहना चाहता हूँ जो कि लोगों की तरफ बकाया है। अन्दाजा है कि २७० करोड़ की रकम वसूल करनी बाकी है जिस में से ७० करोड़ रुपए की रकम बैंक डेट कह कर छोड़ी जा रही है। इस का क्या कारण है? आप अच्छी तरह से जानते हैं कि यह मामला बड़ा सीरियस है। ७० करोड़ की रकम इस तरीके से छोड़ी जाय यह बड़े अफ़सोस की बात है। मैं इतना ही कहूँगा कि जहाँ तक मेरा अन्दाजा है यह तमाम महकमा इनकम टैक्स की सापरवाही का नतीजा है। और जो २०० करोड़ रुपए की रकम बाकी है आईन्दा उस

को वसूल करने के लिए पूरी कोशिश की जाय ताकि इस रकम से हम ज्यादा से ज्यादा फायदा उठा सकें और देश के कामों में खर्च कर सकें। मैं यह बात बॉस नीर पर इस लिए भी कहता हूँ कि मैं यह मेकता हूँ कि लोगों में इक्कम टैक्स के खिलाफ जो फीलिंग है उस की जो मुसालफ़त होती है उसका यह कारण नहीं कि वे टैक्स नहीं देना चाहते हैं बल्कि फ्राम भादमी मिडल क्लास के गरीब भादमी यह महसूस करते हैं कि जो टैक्स लगाया जाता है उस का बोझ गरीब लोगों पर पड़ता है अमीर लोग बड़े बड़े बिजनेसमैन बड़े बड़े अफ़सरों से मिल कर इससे बचने और टैक्स की चोरी करने में कामयाब हो सकते हैं। इसलिए लोगों में जो यह भावना है उस को दूर करने का एक ही तरीका है कि इस तमाम बकाया रकम को वसूल किया जाय और जो लोग ऐसा करते हैं उन के खिलाफ सक्त कार्यवाही की जाय।

मेरी आखिरी अपील यह है कि मौजूदा इनकम टैक्स ऐक्ट के सैन्शन ५४ के तहत इनकम टैक्स की वसूली के लिए जितनी भी कोशिश जितनी भी कार्यवाही की जाती है वह कांफिडेंशियल रखी जाती है। मैंने इसके बारे में एक सवाल भी किया था और इसकी बिना पर उसका पूरे तौर पर जवाब नहीं दिया गया। मैं चाहता हूँ कि मेम्बरान पार्लियामेंट को फुल कांफिडेंस में लिया जाए और इसके लिए अगर इनकम-टैक्स ऐक्ट के सैन्शन ५४ में आपको तब्दीली भी करनी पड़े तो उसको भी तब्दील किया जाना चाहिये इसका कारण यह है कि जब तक हमें यह मालूम नहीं हो सकेगा कि किन लोगों की तरफ कितना कितना रुपया बकाया है और किन लोगों से वह रुपया वसूल किया जाना है तब तक हम अपनी सही राय नहीं दे सकेंगे इस वास्ते मैं अपील करूँगा कि इस सैन्शन के अन्तर जरूर तब्दीली की जाये ताकि मेम्बरान पार्लियामेंट को यह इन्फार्मेशन

मिल सके कि किन लोगों की तरफ कितना खर्चा बचाया है और उस खर्चे को बसूल करने के लिए कौन कौन सी कोशिशें की जा रही हैं; कौन कौन से जरूरी इस्तेमाल में लाये जा रहे हैं। अगर आपने ऐसा किया तो हम अपनी सही राय आप को दे सकेंगे।

श्री ह० प्र० सिंह (गाजीपुर) : उपाध्यक्ष महोदय, वित्त मंत्रालय के खर्च की जो मांगें पेश की गई हैं उनका मैं समर्थन करता हूँ। जिस तरह हमारा वित्त मंत्रालय कार्य कर रहा है उसकी हमारे देश में काफी सराहना की जा रही है और उसके प्रति देशवासियों की जो भावनायें हैं वे अच्छी हैं।

सरकार, वित्त मंत्रालय, प्लानिंग, स्वराज्य इत्यादि सारी चीज ऐसी हैं जिन के द्वारा देश की गरीबी को मिटाने और देश की रक्षा करने यानी स्वराज्य को बनाये रखने के लिये प्रयास होते हैं। हमारा मुख्य मकसद गरीबों का उत्थान और मुल्क की आजादी को कायम रखने का है। आज हम यह कहने की स्थिति में नहीं हैं कि इन दोनों मकसदों को हासिल करने की तरफ सही तौर से हमारे कदम उठे हैं। हमने इस दिशा में कोई खास प्रगति नहीं की है। हमारे देश में जितनी भी यांजनायें शुरू की गई हैं अभी उनको पूरा नहीं किया गया है, वे सम्पन्न नहीं हुई हैं। उनको पूरा करने के लिए काफी धन की आवश्यकता है। इस वक्त जितना भी कार्य हो रहा है, या हुआ है उसके आधारे पर हम यह कह सकते हैं कि हमारे गांवों के किसानों पर उसका कोई खास असर नहीं पड़ा है। जितने भी प्लानिंग के कार्य चल रहे हैं या खेती में सुधार के कार्य चल रहे हैं, यानी गरीबी को मिटाने के कार्य चल रहे हैं, उनके प्रति हमारे गांवों के लोगों में जो उत्साह होना चाहिये वह आज आठ नौ वर्ष बाद भी पैदा नहीं हुआ है। इस बीच में सरकार ने धरकों खपये खर्च किया है लेकिन गांवों के लोगों पर और विशेषकर किसानों पर इसका कोई अच्छा असर नहीं पड़ा है।

उनको कोई लाभ प्राप्त नहीं हुए हैं। सरकार के धनेकों कार्यकर्ता वहां जाते हैं, उनको समझाते हैं, उनके सामने स्कीमों को रखते हैं लेकिन किसानों को धनने दैनिक व्यवहार में कुछ आराम नहीं मिलता है इस कारण से उनके प्रति उनमें उत्साह दृष्टिगोचर नहीं होता है। चूंकि उनको अभी तक कुछ लाभ नहीं प्राप्त हुआ है इस कारण से इन बीजों का उन पर कोई असर नहीं होता है। इसका एक खास कारण है और वह यह है कि सरकार के जितने भी विभाग हैं, वे सब स्वतंत्र हैं, उनका अपना अपना पृथक अस्तित्व है, एक विभाग का दूसरे विभाग से सम्बन्ध नहीं है, हर कार्य हर विभाग का भलग है, कोई सहयोग कोई कोषीपरेशन उनका आपस में नहीं है। इस कारण से गांवों के उत्थान में बड़ी दिक्कत पड़ती है।

गांवों से गांव समाज सभायें कायम कर दी गई हैं, ग्राम पंचायतें कायम कर दी गई हैं, कोषीपरेटिव सोसाइटी कायम कर दी गई हैं, एग्रीकलचरल विभाग के कुछ कार्य कायम कर दिये गये हैं लेकिन उनका आपस में कोषीपरेशन न होने से गांव वालों को जो उनसे फायदा पहुंचना चाहिये वह आज नहीं पहुंच रहा है। सैकड़ों की तायदाद में ट्यूबवैल एक एक जिले में लगे हुए हैं लेकिन उनसे अभी तक कोई लाभ किसानों को नहीं मिल रहा है। कहीं ट्यूबवैल्स में गूल नहीं बने हैं, कहीं इलेक्ट्रिसिटी नहीं मिली है और कहीं पर इंजिन सप्लाय नहीं हुए हैं। नहरें हैं, मेंन तो बन कर तैयार हो जाती हैं, लेकिन माइनर्स नहीं बन पाती हैं। सरकार का जो अधिक से अधिक पैसा इस तरफ लगाया गया है, उसका कोई खास फायदा किसानों को अब तक नहीं मिला है। और इसका यह कारण है जो मैंने अभी बतलाया है। इस वास्ते किसानों में बहुत भारी असन्तोष है।

प्लानिंग कमेटी या और जो दूसरे अधिकारी हैं उनसे जब यह बात कही जाती

[श्री इ० प्र० सिंह]

है कि हर गांव में जितनी जमीन परती है जो काबिले कास्त है, उसको गांवों के गरीबों के में बांट दिया जाए तो वे कहते हैं कि यह काम हमारे जिम्मे नहीं है, यह काम गांव समाज के जिम्मे है। गांव समाज के लोगों में वह मनोबुद्धि, वह भावना नहीं पाई जाती है, जो पाई जानी चाहिये और उनको अच्छे काम करने के लिए प्रेरित किया जाना चाहिए। अभी देखा जाता है कि गांवों में शिक्षा का प्रभाव है, उनमें चेतना नहीं है, जागृति नहीं है, भावनाओं को जागृत करने का प्रयत्न किया जाना चाहिए। प्रायकल यह काम विल्लेज लेबेल वर्क्स के द्वारा किया जाता है। विल्लेज लेबेल वर्क्स को ट्रेनिंग दे दी जाती है और गांवों में भेज दिया जाता है। परन्तु वे लोग गांवों में जा करके फील्ड वर्क नहीं करते हैं, फील्ड वर्क करने से बहुत बचराते हैं। अपनी साइकल में कर, इधर उधर काम को देख करके वे खानापूरी कर देते हैं। इस तरह से उत्पान नहीं हो सकता है। इस तरह में गरीबी को मिटाने को प्रयत्न हो रहे हैं, उनमें सफलता नहीं मिल सकती है। आज तक हमारी सरकार ने बहुत बड़ी राशि धन लोगों के लिए भलाई के कार्य करने में खर्च की है और जो कार्य किया है, वह कुछ भावना से किया है लेकिन उससे जो लाभ पहुंचना चाहिये था वह पहुंच नहीं पाया है, उससे जो नतीजे निकलने चाहिये थे वे निकल नहीं पाये हैं।

किसानों के साधारण खाने पीने की जो वस्तुएं हैं, उनको तो पैदा करते ही हैं लेकिन दूसरी चीजें भी हैं जिन का उत्पादन वे करते हैं जैसे ईंधन है, गन्ना है। लेकिन पिराई का अच्छा साधन न होने से उसकी पूरी कीमत उनको नहीं मिल पाती है। हमारे गाजीपुर के जिले में गन्ने की कास्त बड़े अच्छे ढंग से होती है। लेकिन आज वहां गन्ने की कास्त बहुत कम हो गई है। इसका कारण यह है कि वहां पर पिराई के लिए कोई मशीन नहीं है,

वहां कोई मिल नहीं है। इस वास्ते वहां के किसान अपने गन्ने को बेच नहीं पाते हैं और उससे जितना फायदा उनको मिलना चाहिए उतना नहीं मिल पाता है। हमारे जिले में एक बहुत बड़ी अफीम की फैक्ट्री भी है। वह फैक्ट्री शायद हिन्दुस्तान में सब में बड़ी है। ढाई तीन करोड़ रुपये का भाल उससे जो वहां तैयार किया जाता है, बाहर भी जाता है। लेकिन गाजीपुर के किसानों को यह हक हासिल नहीं है कि वे अफीम की खेती स्वयं कर सकें। मध्य प्रदेश इत्यादि से अफीम की खेती होती है और वहां में गाजीपुर में अफीम को लाया जाता है पकाने और दबा बनाने के लिये और बाद में उसको बाहर के देशों में माफिया के रूप में या दवाइयों के रूप में अफीम के रूप में भेज दिया जाता है। लेकिन गाजीपुर के लोगों को इतनी महंगी चीज का उत्पादन करने का हक नहीं है और न वे इससे फायदा ही उठा सकते हैं। वह पिछड़ा हुआ इलाका है, वहां पर गरीबी बहुत ज्यादा है। वित्त मंत्रालय के लिवाफ में ही वह खास शिकायत है कि वहां के लोगों को इससे बंचित रखा जा रहा है। हमारे जिले की जो जमीन है वह बहुत जरखेज है। पिछले वक्त से वहां अफीम की खेती भी बहुत ज्यादा हुआ करती थी। खेती करने वाले खास पेशेवर लोग होते हैं जैसे कुरमी, कारीरी इत्यादि और उनकी बहुत बड़ी आबादी वहां पर है। पिछले बार भी मैंने यह प्रश्न उठाया था और मंत्री महोदय का इस और ध्यान खींचा था और चाहा था कि गाजीपुर जिले के लिए कम से कम अफीम की खेती करने के लाइसेंस दे दिये जायें लेकिन इस और कोई ध्यान नहीं दिया गया। मे आशा करता हूं मंत्री महोदय अब इस और अवश्य ध्यान देंगे।

गाजीपुर में जो अफीम की फैक्ट्री है वह बहुत बड़ी है। उसको १/४ हिस्से में ही काम होता है और उसका ३/४ हिस्सा

बेकार पड़ा हुआ है, वह गिर रहा है। वहाँ पर मैं दुःसाह देना चाहता हूँ कि कोई दूसरी इंडस्ट्री खोल दी जाए। अगर आपने ऐसा किया तो जिले के गरीब लोगों को काम मिला सकेगा और दूसरे सरकार को भी काफ़ी लाभ होगा। आप दूसरे स्थानों पर फैक्ट्रियाँ बनाते हैं, उनके लिए जो बिल्डिंग्स बनाते हैं, उन पर काफ़ी पैसा खर्च करते हैं लेकिन वहाँ पर कार्य नहीं हो रहा है, जगह खाली पड़ी है, उसका कुछ उपयोग नहीं किया जाता है। २, ३ सौ एकड़ जमीन गंगा की तराई में अफीम की कोठी के हाथ में है। मैं ने पिछली मर्तबा यह सुझाव दिया था कि जो लैंडलेस मजदूर हैं उन्हें यह जमीन बांट दी जाय, लेकिन ऐसा नहीं हुआ। वह कर्मचारियों को लगान पर दी जाती है। जो कर्मचारी उस से सम्बन्ध रखते हैं उन्हीं को वह लगान पर दी जाती है और इस का बे बेजा फायदा उठाते हैं। इस तरह मेरा यह नज़र निवेदन है कि किसानों को उत्थान के जितने तरीके हों उन को ऐसे अपनाया जाय जिस से किसानों को भी कुछ लाभ हो सके।

शेती के मामले में मैं वित्त मंत्रालय से यह प्रार्थना करूंगा कि प्लानिंग के द्वारा यह सारी चीजें ऐसे ढंग से कराये कि उस का फायदा सीधे किसानों को पहुँच सके। ६०० एकड़ जमीन जो गांव के लोगों के कब्जे में है उस की सीलिंग का प्रश्न उठ जाता है लेकिन जो २०० एकड़ जमीन गांव में काबिल जरात बेकार पड़ी है उस की सीलिंग और डिस्ट्रिब्यूशन का सवाल नहीं उठते। बहुत से ऐसे मामलों की तरफ हमारे अधिकारियों का या जिन को मैं सम्बोधित कर सकूँ उनका ध्यान नहीं है। कितनी सहृदयता और कितनी ऊँची भावनाएँ ले कर यह सारे कार्य किये जाते हैं, इस में कोई सन्देह नहीं वह काबिले तारीफ़ है, लेकिन बुनियादी बातों की तरफ, जो किसानों से तात्लुक रखती हैं, जिन पर किसानों का जीवन और मरण मुहसर है और जिन को ले कर वह अपनी तरक्की कर

सकता है, उन की तरफ़ अभी बड़ी कमजोरी है हमें इस तरफ़ भी ध्यान देना चाहिये।

**Shri Thimmalah:** Under the Second Plan the Government proposes to spend a huge sum of money and wants to change the very life of the citizens of this country. In our enthusiasm to make the Plan a success, we are not very careful about the wastage of money in the different development works.

Under the Plan we have started so many departments and established so many offices. Some of them are, in my opinion, completely unnecessary. If we cannot eliminate them completely, we can at least save some money by curtailing the expenditure on certain departments.

For example, we have established the Handicrafts Board, the Cottage Industries Board, the Village Industries Board, the Khadi Board etc. All these boards are there, and they direct the policy of development of cottage industries. I want to ask the Minister: Can we not allot the same amount to the State Governments and ask them to develop cottage industries? Should these small schemes emanate from the Centre? Cannot the State Government draw up the schemes and implement them? I think it is high time that we think of these things. Rather than centralising all these things, it is much better to entrust these things to the State Governments for implementation.

Similarly, we have allotted crores of rupees to the Social Welfare Board. The work of this Board is almost similar to that of community development, and there will be duplication of work between these two departments. I submit that the Social Welfare Board may be brought under the Ministry of Community Development so that there may be less of expenditure.

Similarly, we give some money to the Bharat Sevak Samaj. Their work can as well be entrusted to the Ministry of Community Development. We have got a huge machinery under this

[Shri Thimmalah]

Ministry. There are lots of village-level workers who can enthruse the people, ask them to co-operate and make the Plan a success. I do not know why this Bharat Sevak Samaj and some other Samajes are there, just to facilitate some people in the name of the Plan. I do not agree with the objects of the Bharat Sevak Samaj, and I am not satisfied with the work that has been done.

We spend a lot of money on constructing huge buildings in Delhi. I do not know why these huge sums are allotted for construction of huge buildings in Delhi. Can we not house these offices in simple buildings instead of erecting huge buildings and spending a lot of money on them?

The Deputy Minister of Planning (Shri S. N. Mishra): For the Bharat Sevak Samaj?

Shri Thimmalah: Generally for the offices, the new secretariat, this and that

We want internal resources to be raised; we want funds for the success of the Plan. At the same time, we want to establish a socialist pattern of society. The Government was pleased to nationalise the State Bank, the insurance business etc. Now we hear from the Members of this House that banks also should be nationalised, and that the nationalisation of banks will help in minimising the evasion of income-tax. In this country evasion of income-tax is easier than anything else, and I think the big capitalists in this country have much more money than the Government itself has in its treasury. Therefore, some method should be found to tap these unknown resources of the people who have got money and evade income-tax. Some device should be found to extract sufficient money for our Plan. At the same time, Government should think over the proposal to nationalise banks at the proper time and after careful consideration. I think by this we can get more money and also see that our Plan does not suffer for want of money.

We implemented the First Plan very successfully. We take pride that we are solving the many problems of this country. But what is the position of the villagers, the rural folk in the country? Today they appear to be as they were before, there is no change in their life or in their income. No doubt, the national income has risen by some percentage as given in the statistics, but the life of the villagers today has in no way improved, and they are as they were before. Unemployment in the villages is increasing. So, it is necessary that cottage industries should be developed, and a network of cottage industry centres should be systematically established in the rural parts to arrest the movement of this man-power to the urban areas and to provide them with different avenues of employment whereby they could earn something for their livelihood.

The condition of the agricultural labourer is worse than that of the industrial labourer. Naturally, the agricultural labourer does not want to stay in the villages, because he has nothing to depend upon, and nothing to live upon. So, he is attracted towards the cities; he wants to go to the cities and earn money because he finds that the industrial labourer there earns more and lives a better life than he does in the villages. Today, all the lands are becoming fallow, because the agricultural labourer has no enthusiasm to work on the fields since he does not get a proper return for the labour that he puts in. Therefore, he feels that he may better go to the cities and join some factory there where he can get more salary and thereby live a better life. This sort of tendency on the part of the villagers and the agricultural labourers should be stopped, by improving their economic condition in the rural parts of the country.

There is also the question of agricultural prices. Whenever the ryots grow some foodgrains, and the foodgrains prices rise high, we cry; but Government should also see why the



ryots demand higher prices; it is because the prices of other commodities are so high that the ryots want that their commodities also should be sold at a higher price. So, Government should always see that a reasonable price level is maintained, which is fair to the consumer as well as to the producer, so that the ryots are not hard hit and they also get something for their labour in the production of foodgrains. Government should adopt this policy in order to enthrone the ryots as well as the agricultural labourers.

I would also insist upon one more thing, particularly in the community development blocks and other areas. The objective of these community development people is to change the very outlook of the people. But we see in every village today that politics is being introduced. Wherever we go in this country, we find that in every village, there are two parties, with the result that there is no peaceful atmosphere in the villages, and thereby much of the development work in the villages is hampered because of strifes and feuds in the villages. The community development people should first of all see that a happy and harmonious atmosphere exists between the people in the village. Sometimes, I have seen that even the officers in charge of community development indulge in petty quarrels and bring about these quarrels among the villagers. I think these community development officers, particularly, have got a greater responsibility than any other officer in the Central Secretariat or any other secretariat, for it is only when they show that they are one with the masses, they work for the masses, and they feel one with the masses, that the ryots and the masses of the country will feel that here is a Government, and here is an officer, who is working for them, and they will feel enthused, and we can also put our heart and soul for the success of the development scheme. I would urge that the Ministry should insist upon this on the part of the subordinate officers in the villages.

Then, I want to say something about the Scheduled Castes and the Scheduled Tribes. I have often advocated their cause in this House. These Plans and other things are, no doubt, improving the economic and social condition of the people. But, in spite of all these things, the position of the Scheduled Castes people is as miserable as it was before. In addition to the social disabilities which he has to suffer, he has also to suffer other disabilities. He has been economically exploited. He has no lands of his own which he can till, and, therefore, he can only be an agricultural labourer getting job for about three months in a year, and at other times half-fed or unfed and under-employed or unemployed. During the ten years after Independence, we have had two general elections, and we promised the people that we would introduce land reforms all over the country. But, today, no State Government has completely introduced land reforms, and the Government is more obedient and more helpful to the landlords and the vested interests than to the common man who wants certain land reforms in this country. For a country to introduce land legislation, I do not think ten years would be a small period. It is a sufficiently long period and if Government were so minded, they could have done it. Even today, it is not too late; Government can introduce land legislation and see that they fulfil the promises which they made to the people of this country.

In order that the Scheduled Castes may raise their status in society, and in order to ensure that untouchability vanishes in the country, Government should change the psychology of the masses in the country. And how can they do it? In this modern society, power, position and money play a very important role so far as the status of an individual is concerned. So, Government should encourage the Scheduled Castes people to become tradesmen and merchants, and they should start a corporation to finance the Scheduled Castes people to become merchants, traders and so on.

[Shri Thimmalah]

Besides, their representation in the administrative services also must be raised. Only the day before yesterday, the Home Minister said that the intake of the Scheduled Caste members to the administrative services was increasing. That is good. It is not by taking just a few clerks, or by just appointing a few teachers that our status will be raised. In the higher administrative services also we should have some key posts. We should also have some higher posts because that plays a very important role in raising the status of a community which has been exploited and suppressed from times immemorial.

Similarly, the Scheduled Castes should have their due share in political power, in becoming Ministers and so on. In all big things, they should have their due share. It is because of the reservation that we are today sitting here; and we are thankful to the Congress Government for having reserved certain seats for the Assemblies and the Parliament. But you can imagine our position in other bodies where there is no reservation. For instance, in the Legislative Councils of the States, and the Council of States, we have no representation because there is no reservation of seats. The same is the treatment given to us even in the Cabinets of all the State Governments, and including the Cabinet of the Central Government. I am pointing this out regretfully, because if we have respect for democracy, and number has some meaning in democracy, then we must be given our proportionate representation not only in the Cabinet but in everything that comes under democratic government. That is our right.

I hope that the Congress which has fought for independence, which has sacrificed a lot for the emancipation of the country, which has stood by the Harijans, and which has taken a pledge for the eradication of untouchability and for the amelioration of the Scheduled Castes can give justice, and that is the only body which can give us justice. I hope it will give us full

justice, and it will not desert us or fail us.

Shri Neelshr Bharucha (East Khandedh): Mr. Deputy-Speaker, Sir. So far as the material that has been supplied to us by the Finance Ministry is concerned, I am afraid, after studying a lot one cannot make any head or tail out of it. I fully agree with the previous speakers, both Shri Asoka Mehta and Shri Mahanty, when they say that sufficient information is not being imparted to this House. In the case of defence, one could even trot out the excuse of security of the country being in danger, but the Finance Ministry has not even that lame excuse.

We have got to consider our major difficulties. The first is the inadequacy of internal resources even to finance the core of the Plan. The second is our foreign exchange difficulties and the halting measures taken to meet them. Thirdly, there is the external aid which comes in very small measures; fourthly, there is the increasing amount of deficit financing beyond the safe limits of prudence; fifthly, we have got the question of inflation, which refuses to be curbed in spite of monetary and fiscal checks, and last, but not the least, the question of 'bunching' of our commitments.

Taking first the question of inadequacy of internal resources, in the absence of any information as to what constitutes the core of the Plan, much less what will be our final commitments at the end of the Second Five Year Plan period, I shall presume that our total commitments will be in the neighbourhood of Rs. 4,800 crores. We have spent so far about Rs. 1,500 crores and we expect to spend anything between Rs. 900 and Rs. 1,000 crores in the third year of the Second Plan, bringing the total in three years to Rs. 2,400 crores. Therefore, the obvious question is that we have to spend in the next two years, after the current year, Rs. 2,400 crores, roughly about Rs. 1,200 crores a year.

Now, I ask this Government to answer this very simple question, which I have repeatedly posed before this House, where is this money going to come from? What are their internal resources which will enable them in the fourth and fifth years of the Plan to spend as much as Rs. 2,400 crores? It is very simple arithmetic. So far we have received no reply and I do not expect any reply to be forthcoming even today.

When we say that in the first two years of the Plan we have spent Rs. 1,500 crores, what have we actually done? We have been covering up our overall budget deficits, which in the last Budget was to the tune of Rs. 380 crores, by converting the liability in the form of treasury bills. Let it be understood that when the Government say they have spent Rs. 1,500 crores, they have not spent that. What they have done is that they have borrowed from the bank in the form of treasury bills by 31st March this year Rs. 380 crores, which they say they will later on fund into appropriate loans of appropriate maturity. Therefore, we have not spent it. In the previous year, there was a deficit of over Rs. 200 crores. Therefore, the so-called Rs. 1,500 crores really boil down to Rs. 900 crores in two years. The same position is going to continue. This is gross abuse of treasury bills. Treasury bills were intended for the purpose of making up the lag between incoming revenue and outgoing expenditure because the revenue comes in by fits and starts and expenditure takes place on a large scale and there may not be sufficient balance in the till of the Government to meet the expenditure. Therefore, the Government go to the bank, give an IOU, which we call in euphemistic terms 'treasury bill', borrow the amount on the pretext that it is a temporary loan of three months; and then the total keeps on accumulating, until we are told that by the end of the current financial year, the treasury bills will stand at the amazing total of Rs. 1,400 crores. In other words, out of Rs. 4,800 crores, Rs. 1,400 crores are

taken from the bank on promise of short-term repayment and then they are to be funded into long-term loans. This is the way in which we have been carrying on with our finances.

What do these treasury bills really mean? It means that the temporary borrowings are for the purpose of development projects, capital expenditure from temporary borrowings. That is the meaning of Rs. 1,400 crores of treasury bills. It means deficit financing by the backdoor. What we do not want to do openly, we want to do by telling the public by saying that at the most Rs. 1,200 will be the extent of deficit financing. We are having deficit financing by the backdoor in the form of treasury bills to the extent of Rs. 1,400 crores. Its inflationary effect is patent.

Coming to the question of foreign exchange on which we have spoken repeatedly, let us see what the Government have to say. I take the Government figures as they have been given to us. In the memorandum circulated to us on the "Fall in Foreign Exchange Reserves"—figures which are nearly six to nine months old—we find that there is nothing more than a catalogue of excuses. Why have they run into this foreign exchange difficulty? Their excuse is not on account of the inefficiency of the planners, not because they have bungled, not that they have muddled. They say 'heavy defence expenditure'. I ask: was it not the duty of the planners to foresee that this type of emergencies do arise? Then they say 'heavy food imports'. Was it not even their duty to look beyond their noses and find out, 'yes, there would be occasions when we will not have all along good monsoons and good harvests'? Then they say 'increased requirements of raw materials, components, spares, replacements on account of the higher tempo of industrialisation'. What type of planning is this?—I ask

We are told that because our industries are expanding, they require semi-processed or raw materials which

[Shri Naushir Bharucha]

should be imported. Because the tempo of production increased, we have to spend more foreign exchange in order to get the raw materials for our industry. I ask: what type of planners are these whom this nation pays Rs. 2,500 a month each to do a little bit of thinking on behalf of the nation? They say, 'we did not foresee these things, that our growing industries will require more raw materials which we will have to import, and as a result foreign exchange would be consumed more'. This is the way things are being planned.

Then we are told 'rather higher imports of consumer goods'. Rather higher imports! Why is not an inquiry being instituted into this? Why is it that licences are given to people who have not even a nodding acquaintance with the commodity for which they were given licences to the extent of lakhs of rupees? And then we are told 'rather higher imports of consumer goods'.

We are also told, 'increase in prices and freights'. Was it not the duty of the Planning Commission to see that world prices might increase? Did they even expect that prices would go down? Did their experience not tell them that a project was never constructed for less than the estimated cost, but always at much greater cost? This is the way in which planning is going on.

What is the position today? In answer to question No. 2441, answered day before yesterday, we were told that the total gap in the Five Year Plan now stood at Rs. 972 crores. Out of that expenditure, Rs. 382 crores are liabilities which we have met uptill 31st March 1958, which leaves us a balance of Rs. 590 crores, say, roughly Rs. 600 crores. They say that out of that, on account of loans already contracted, foreign assistance, credits and aids which we have received or so far negotiated—I presume with the hope of getting them certainly—Rs. 250 crores would be financed, leaving a gap of nearly Rs. 340—350 crores, which we do not know from where we

are getting. Rs. 340—350 crores means \$700 million. Today the biggest aid which we got from America was \$ 225 million. How are this Government going to procure external aid to the extent of \$700 million—of sterling balances? I do not know. It is the duty of the Government to tell this House and take it into confidence. It seems to me that we are bankrupt without being conscious of the fact that we are bankrupt.

Shri Morarji Desai: That is what he wants us to be.

Shri Naushir Bharucha: The Finance Minister seems to laugh away everything. It is a question not merely of the Plan succeeding or failing.

Mr. Deputy-Speaker: He has perhaps laughed on that consciousness.

Shri Naushir Bharucha: I hope so.

What I am trying to say is that within the next two years we have got to procure \$700 million worth foreign aid according to the figures Government themselves have given, which, I will show presently, are illusory. And we do not know where we are going to turn with the beggar's bowl for our next aid. These are figures from the answers to questions which were recently given. The figure of \$700 million is illusory. It will be very much more. Why? I will give the reasons. In the first place, at the time that the Demands of the Ministry of Steel, Mines and Fuel were discussed we were told that in the construction of the steel plants, which was going to cost us a certain sum, on the basis of which estimate was made, in that estimate the cost of township was not included, the machinery for mining coal was not included, the machinery for quarrying limestone was left out. So many various factors which would enhance the cost were admittedly not taken into account. There were these omissions.

16 hrs.

Secondly, it is based on the presumption that there will be no more

emergency Defence expenditure and no more increased expenditure on food imports and that the prices will not rise and that there will not be any other emergency. Very facile presumptions on which to base the economy of a country! It is also based on the fact that there has been import slash which today is eating into the vitals of this country which will have to be continued till the end of the Plan. Also it is based on the assumption that even after this we are not going to have deferred payments for which we have contracted. I ask, what type of position we have been placed in when we are told that we will have to make arrangements for \$700 million of foreign help within two years? We do not know at whose door we shall go with a bigger's bowl. I ask the hon. Minister to explain this fact. Too long have they evaded answering this question. These are figures taken from the records of Government. Let the Government answer.

**Shri Morarji Desai:** Mr. Deputy-Speaker, Sir, I am very thankful to the various hon. Members who took part in the debate and have given me the advantage of their advice and their knowledge of the finances of this country and the administration of this Ministry.

Before I deal with the general problems raised in connection with the Plan, internal and external resources and foreign capital, I should like to draw the attention of the hon. House to some of the wrong figures quoted by several hon. Members, possibly, on account of want of information with them or on account of a wrong reading of the figures that are there. I cannot say that that was deliberate; but, at any rate, these things have helped me in my education and have made me wiser about things about which I should be wise.

The hon. Member who last spoke is a great friend of mine, of course, always from the Opposition. I know him very well from Bombay. We had almost every day an occasion to speak to each other and we always found

ourselves (**Shri Braj Raj Singh:** At crossroads.) not satisfying each other. If I, therefore, am not able to convince him even here, I cannot say that I have grown wiser. I must admit that I have not grown wiser since then; and I do not know whether he has grown wiser since then. So, he has tried to show that we are doing something by the backdoor especially in the matter of deficit financing. I do not know how he makes that charge. The amount of deficit finance is known to the hon. House. It has never been kept back and it will never be kept back from the hon. House. But he specialises in backdoor methods and, therefore, he thinks.....

**Shri Naushir Bharucha:** Sir, I rise to a point of order. Is it in order to say that an hon. Member specialises in backdoor methods?

**Shri C. D. Pande (Naini Tal):** If you can accuse the Government....

**Mr. Deputy-Speaker:** The hon. Member set the ball rolling and said that the Ministry is guilty of this. Then, it means he blames the Minister that he is guilty of these backdoor methods. He said something like that. It may be impersonal so far as the Ministry is concerned, but when the Minister in charge is also there, the imputation is there. So, I could not object to that. Otherwise, in the ordinary course, I would have objected.

**Pandit, K. C. Sharma (Hapur):** The hon. Member does not want the ball to come back.

**Shri Morarji Desai:** That is my difficulty with the hon. Member always. He wants to make criticism but he is very impatient of being shown that his criticism is ill-founded. Well, Sir, if he likes, I will not refer to him at all and there I will end with him. But I speak with knowledge about him. (Interruption.)

It has been said here that the Commissioner of Income-tax removed the recovery notice issued to the LIC in

[Shri Morarji Desai]

order to oblige Shri Mundhra I wish the hon. Member had acquainted himself with the fact that Shri Nadar who was the officer concerned was examined by the Commission and the Commission was satisfied about that.

Shri Naushir Bharucha: Sir,....

Shri Morarji Desai: I do not want to waste my time. I am not yielding.

Mr. Deputy-Speaker: The hon. Minister is not yielding. He may continue and the hon. Member may subsequently put questions. I will certainly allow that.

Shri Mahanty: On a point of order, Sir.

Mr. Deputy-Speaker: When an hon. Minister or any other hon. Member is in possession of the House and he is not prepared to yield, then, I have no option. I will request the hon. Members to have patience and then when the hon. Minister finishes, if there is something....

Shri Mahanty: Sir, I rise on a point of order.

Shri Braj Raj Singh: Nobody can say that it is a waste of time.

Shri Morarji Desai: I said I do not want to waste my time so that I may not be able to reply to all the points. I am not saying that about the hon. Member.

Mr. Deputy-Speaker: The hon. Members raising a point of order; let me hear it.

Shri Mahanty: I thought that interruptions are perfectly legitimate parliamentary practice. If I want to interrupt, it is for eliciting further information and for convincing myself. But, it is not open to the Minister to say that he cannot waste his time. That means he is casting aspersions.

Mr. Deputy-Speaker: Before listening to the hon. Minister he has jumped to the conclusion that would be

objectionable. The Minister says he meant to imply that because he had limited time and he had so much to say, therefore, if he replies to other interruptions and questions he may not be able to deal with the reply that he has to give. Under these circumstances, I think there is no objection to the use of the word that he has used.

Shri Mahanty: We are in your hands.

Shri Morarji Desai: I have no objection to listen to parliamentary interruptions; I welcome them. But, when they are replied to, why should that be objected to?

Shri Mahanty: Nobody is objecting to it.

Shri Morarji Desai: That is what is happening.

The allegation is totally unfounded because the notice of recovery was issued on the initiative of the Income-tax Department officers themselves as soon as they came to know that some shares were being bought from Shri Mundhra by the LIC. However, as the LIC had already paid for the shares practically in full, nothing would be achieved by the recovery notice being kept alive. It was, thereupon, decided in consultation with the assessee to withdraw the notice provided the assessee paid immediately the undisputed tax. According to the assessee, the undisputed tax was about Rs. 1 lakh and according to the Department, it was Rs. 8½ lakhs. The C.I.T. insisted that the cash payment of Rs. 1 lakh should be made and further shares to the value of Rs. 8 lakhs should be given as security. The assessee did so and, thereupon, the recovery notice was withdrawn. Nothing has been lost by withdrawing the notice. In fact, a smart piece of work was done in getting some money out of an assessee from whom recovery was a big problem. Incidentally, the action was taken by the officers in Calcutta on their own initiative. No

advice whatsoever was issued from Delhi. In fact, the decision to withdraw the notice was known to the C.B.R. only after the notice had been withdrawn.

**Shri Mahanty:** We contest it.

**Shri Morarji Desai:** The hon. Member can go on contesting everything.

**The Deputy Minister of Economic Affairs (Shrimati Tarkeshwari Sinha):** How can we reach our intelligence to you? (*Interruption.*)

**Mr. Deputy-Speaker:** The hon. Members shall appreciate that sometimes the Chair is also helpless.

**Shri Morarji Desai:** Then there is the criticism about the increase in civil expenditure. It is true that there is an increase in civil expenditure by about Rs. 100 crores in the Budget year over last year's Budget. But I am afraid that the hon. Member who tried to make a point out of this did not know what it related to. He thought it all meant increase in administration, service and so on. That is not so. It is true, as I said, that the total civil expenditure in the year 1958-59 is estimated at Rs. 518 crores as against Rs. 420 crores in 1957-58. But the bulk of this increase is in respect of obligatory expenditure like interest, pensions, share of taxes, grants-in-aid payable to the States. Under the Finance Commission's award the share of excise duties payable to States goes up by Rs. 46 crores and the statutory grants to them by Rs. 22 crores. Interest charges go up by Rs. 5 crores following larger borrowings to finance the Plan. The tax collection charges and administrative expenses have gone up of course by Rs. 4 crores only. It is but normal. The new Naga Hills-Tuensang Area also will cost Rs. 4 crores. Besides, there will be larger expenditure by about Rs. 9 crores on nation-building, development and social services like education, medical, public health and industrial services and so on. If we do not pay attention to the various items and what they

contain, then it is likely that a criticism is made which is not justified. That is all that I wanted to point out in this matter. If I had been asked about the break-up of these items, I should have been very happy to give the hon. Member this information and he would have been saved the necessity of being criticised.

It was said again that there was failure to realise income-tax found to be due by the Income-tax Investigation Commission. Here too the facts are probably not known to my hon. friend. The demand according to the Commission amounted to Rs. 29.42 crores. There is still an effective arrear of Rs. 7.93 crores and not Rs. 10 or Rs. 18 crores as was stated. I could not follow the figures that were given. But even here the reasons have got to be seen. I want to give the figures which will show that this much has been collected and this much has not been collected. Part of the demand, amounting to Rs. 11.28 crores, was rendered infructuous on account of the invalidation of assessments by Supreme Court Judgments. These cases were, however, reopened under section 34(1)(A) or 34(1)(a) and the amounts collected in respect of these demands have been adjusted against section 34 demands. That means that recovery is there. Rs. 10.21 crores had been collected towards settlement. In all, Rs. 21.49 crores had been collected. Rs. 7.93 crores remained, as I said. Out of that, Rs. 1.2 crores had not yet fallen due because instalments have been given either by the Commission or by the Government. There are Rs. 6.72 crores to recover which processes have been set afoot.

Here also, I may mention that in regard to these settlements, writ petitions have been filed by some of these assesseees challenging the validity thereof and stay orders have been granted. It will thus be seen that the department has not been lying idle over these arrears but is very keen to recover them. There may be many faults in the department as there are faults in all of us. If these faults are

[Shri Morarji Desai]

pointed out, we shall be very grateful to those who point them out so that we can improve. But even if there are no faults and if things are still pointed out as faults, there is the danger of the department not thinking of the faults pointed out, because they know that they are not at fault.... (Interruptions.) Therefore, I would beg of my hon. friends to enquire before they point out these faults and make a general condemnation. From this it was argued that the whole Finance Ministry was involved in this affair. From the face of the statement, how far it can be believed I leave to the hon. Members to judge because if I use any adjective it will again be objected to and, therefore, I do not want to use any adjective....

Mr. Deputy-Speaker: It is better to avoid adjectives.

Shri Morarji Desai: Therefore, I am not using any adjective.

It was said that banks had been remiss in lessening their advances for paddy and rice and that was why prices had been rising and are rising today though it is not a fact that prices are rising today. But what are the facts? The advances on 15th March, 1957 amounted to Rs. 22.95 crores whereas on March 14, 1958, they amounted to Rs. 11.59 crores. In February 1957, it was Rs. 23.29 crores whereas it was Rs. 11.11 crores in February 1958. That is the figure. Yet it is said that we have not reduced these advances to these people.... (Interruptions.) Therefore, I am saying that the facts are quite otherwise than what are being argued about.

Shri Prabhat Kar: The charge was against the banks that they did not listen to the directive.

Shri Morarji Desai: I am saying that it is not true. These are the figures which show that they have done what they could. One criticism can be made that they were delayed a bit last year. But they were delayed

because there was some difficulty in communicating them to all the banks. There is also the difficulty in withdrawing the advances. Once they are given; it will not be right to withdraw them quickly.... (Interruptions.) If my hon. friend wants, I am prepared to explain to him all these things at length so that he may then criticise. Then he will be on right and firm ground. But here he is not on firm grounds and yet is not prepared to see light where light is given.

Shrimati Renu Chakravartty (Basirhat): The prices are not going down.. (Interruptions.)

Shri Morarji Desai: Prices have gone down. The Reserve Bank Bulletin which was here cited shows that. It is not only my figures.

Shrimati Renu Chakravartty: The price of rice, for instance, has not gone down.....

Mr. Deputy-Speaker: Order, order.

Shri Morarji Desai: It is not the only thing. My hon. friend is obsessed by only one thing and not by the other things in the whole country.... (Interruptions.) The price of rice has not gone down. I do not deny it. But we have got to view things on the whole. We cannot jump to a conclusion merely because the price of rice has not gone down. We have to view it along with the other cereals. We cannot produce rice merely by asking for it. We have to see whether on the whole they have gone down or not. The index was 112 last September or so; it is now 105. The Reserve Bank of India Bulletin, March 1958, says:

"The general downtrend in commodity prices noticed since end-November 1957 continued during the first half of the month under review and, despite a spurt in the latter half—the general price level as measured by the Economic Adviser's general index of wholesale prices (Base: 1952-53=100) showed a net decline over the



month. The index for the week ended February 22 at 104.9 was lower by 0.7 per cent as compared to the index a month before and by 1.1 per cent as compared to the level a year before. The average index for February also worked out lower at 104.6 as compared with 106.0 in the preceding month."

If these facts are not to be believed but they are to be believed only as quoted to me, then I have nothing to say.

Then again figures have been quoted about income-tax or taxes being static. My hon. friend, Shri Asoka Mehta quoted one set of figures and Shri Nagi Reddy quoted another set of figures. Here also, taking the *Reserve Bank of India Bulletin*, my hon. friend, Shri Asoka Mehta quoted the first line of figures. He said that the taxes on income and expenditure were Rs. 134.74 crores and they came down to Rs. 113.23 crores.

Shri Asoka Mehta: I quoted the second line.

Shri Morarji Desai: If it is the second line—Taxes on income other than Corporation—even then I do not think that it will warrant an inference that they have remained static. The figures are 148.19 crores in the year 1951-52 and Rs. 161.50 crores—that is today—in 1958-59. Therefore, they are not static. You may say that they have not gone up much, I am prepared to agree to that. But there are other taxes which have gone up at the same time. So, if you take that into account you will find that the total figures have gone up very much. That is what ought to be considered. If you do not consider that, it will not be a proper estimate of the taxes. I am not myself an economist as my hon. friend has been. We know each other for more than 25 years, as he said, and very intimately too. Here are the actual total collections in crores of rupees. If I take the figures from 1948-49 to 1958-59, even then the

figures will show that there have been some changes in the middle but during the last four years they have constantly been rising. In 1948-49, the figure was Rs. 182.74 crores, then it went down to Rs. 159 crores, then it went up to Rs. 173 crores, then Rs. 187 crores, again Rs. 186 crores, then Rs. 184 crores, then it was Rs. 180 crores, then it went up to Rs. 170 crores, then Rs. 202 crores, it was Rs. 216 crores last year—that is the actual—and now it will be Rs. 217 crores this year. Therefore, the figures are going up.

My hon. friend Shri Nagi Reddy quoted figures and he showed that there is a decline, but he forgot to see the correct figures. He saw only the figures minus the State's share. The State's share has gone on increasing and, naturally, the Centre's share will go on decreasing.

Shri Nagi Reddy (Anantapur): What is the percentage of increase year by year?

Shri Morarji Desai: There is a vast difference between percentage of increase and decrease going on constantly as it was stated.

Shri Nagi Reddy: There is no constant decrease, but....

Shri Morarji Desai: That is what was shown here.

Mr. Deputy-Speaker: I have no objection if sometimes an interruption is made; that makes the debate livelier and that is welcome too. But if it continues incessantly, perhaps hon. Members miss certain portions and they are not benefited by that. They ought to listen patiently.

Shri Tangamani (Madurai): The figures were correctly quoted, but only the inference is different.

Shri Morarji Desai: Sir, as I said, there was an allegation made against the State Bank saying that they had advanced large sums to the Indian

[Shri Morarji Desai]

Express, and not properly. To make such charges in this hon. House, where everybody is thoroughly protected, is very easy. But I would beg of my hon. friends to consider also one fact, that if we have the interest of the country's finances at heart we should not lightly make charges against the State Bank or the Reserve Bank. They are an asset for our country and if we do not maintain their stability, their reputation, we will suffer. It is, therefore, that I am saying that we should be careful about it. (Interruptions.) It is not possible for me to divulge all the transactions in this matter, because there is a section in the Act which prohibits that—and, very naturally so, very properly so. But I may tell my hon. friend that these advances have been made in the ordinary course very fairly and properly. I have satisfied myself about it. That is all that I can say; I can't say anything more. I enquired about it myself and found that this is so. I sent an officer to find it out. That is why I am saying this, and there is no hanky-panky about it as my hon. friend seems to think because of his prejudice against some people.

Shri Nath Pai (Rajapur): You should satisfy us.

Shri Nagi Reddy: Why not satisfy us also?

Shri Morarji Desai: Those who do not want to be satisfied can never be satisfied. There is a saying in Sanskrit—a very wise saying:

प्रज्ञः सूक्ष्मं धराद्यन्ते सूक्ष्मतरम् धाराद्यन्ते विशेषज्ञः  
ज्ञानलवदुर्विदग्धम ब्रह्मापि न नरं न रजयेत् ॥

16.25 hrs.

[MR. SPEAKER in the Chair]

Therefore, Sir, I am neither Brahma nor God—I cannot be that—and I cannot satisfy my hon. friends.

Shri Tangamani: Mere repetition will not convince anybody.

Shri Morarji Desai: When people do not want to be convinced, how can I convince them.

Shri Nagi Reddy: I am prepared to be convinced if you give me reasons for that.

Mr. Speaker: All right. If hon. Members have not been convinced all these years, in two hours how can they be convinced?

Shri Morarji Desai: I will now say why my hon. friends are not convinced—that is the thing to which I now want to come—barring one fact which I also wanted to specify just now so that I may not miss it. There are one or two other things, but I do not want to miss this point because it was specifically raised here.

There was a question raised about the Singareni collieries from the State from which my hon. friend comes. He said that this Government is not helping them. Sir, this matter has not yet been decided. It is going on between the State concerned and us. It is not that we are asking, as far as I know, today. I do not know what has happened before. But I may say, as far as I know today, the position is that the Central Government is asking only for one-third total share capital as a condition for advancing funds. Naturally so. When we are advancing much more than the share capital, if we ask for one-third share in it, I do not know what wrong is committed in this. I do not know why that should not be given. Therefore, if they want funds they should do so and, then there may not be much difficulty. That is the position today. But I am prepared to examine it again.

I have full sympathy with the States. We want to see that the States prosper and that the States also increase their sources of income. That is what we want today. Therefore, Sir, a conclusion may not be drawn that we are not sympathetic to them. We have got to be sure about these matters and see that we advance money properly,

because my hon. friend will, very rightly, call me to account, call the Government to account asking "Why have you done so?" He should not forget it when he himself is concerned or his State is concerned. He should have the same standards for all States including his own.

**Shri Tangamani:** You cannot fetter standards.

**Shri Morarji Desai:** I should be glad if it is better standard, but I find that it is not.

**Shri Tangamani:** I said 'fetter'.

**Shri Morarji Desai:** My hon. friend, Shri Mathur, complained that this Government and its machinery are very lax. He made charges against the Ministers saying that they were lax and not dynamic, because they did not reply to some of his letters. What do I find? I requested my hon. colleague to give me the file so that I could convince myself as to what had happened. He had asked for information on about 8 or 9 points. They were points covering almost everything which related to the State. Naturally, this information had to be called for from the State. Whatever could be obtained here was obtained and a long reply was given to my hon. friend on 22nd November, to a letter which was written in September. Therefore, it cannot be said that there was a great delay. Only two points were left out, which were very general and to which, again, a reply was sent in April. Of course, reminders were sent by my hon. friend because he is very prompt—and, I am very glad that he is very prompt about it. On two points it was stated that some of the information is not obtainable quickly from the State. Well, Sir, he should have tried to obtain the information from the State directly, if possible. He is a resident there and he could have obtained the information directly. If he could not obtain it, we are trying to obtain it for him. I do not say that we should not help in getting it; but let him be a little more sympathetic and see that

there are also difficulties which cannot be overcome. We do not claim. Sir...

**Shri Harish Chandra Mathur (Pali):** Sir, I rise on a point of personal explanation. I think it is just the other way that I said. I never complained against the Minister. As a matter of fact, I said that the hon. Minister, sincere as he was, was trying to give me the information and that he sent me interim replies. I have got the verbatim copy of my own speech. What I said was about the other Minister, Shri Patil. I said that in spite of two Ministers trying to get the information they have not been able to collect the same in six months.

**Shri Morarji Desai:** I myself personally heard his speech; there is no question of referring to the copy.

**Shri Harish Chandra Mathur:** Here are the proceedings.

**Shri Morarji Desai:** Here is the letter running into four pages. Therefore, a reply was given to him, and it is not as though no reply was given to him. If he had said that some little information has not been given, I would have understood him. Here is the full reply. Out of 9 points, six have been replied. Yet it is said that the reply is not given for such a long time. Well, he may use very good words for the Ministers but the inference was not quite good. It is that inference that I am looking to. I am looking to the substance of the language and not to the actual words. That is why I pointed out to him the facts. I do not want to find fault with him. I am only saying that let him be a little bit more charitable to people who are trying to do their work as best as they can. We are not trying to say that we are completely efficient, cent per cent. efficient; I do not think that he also is completely efficient or any of us are completely efficient. No human agency can be completely efficient. What a human agency can see is that they could go on constantly improving and that is all that we are trying to do, and towards that purpose, a little sympathetic word also is use-

[Shri Morarji Desai]

ful in order to make a man to improve quicker. But if he is constantly found fault with, then the effect is otherwise; perhaps he becomes then indifferent to criticism. That is all that might happen. It is that danger which I wanted to guard against. Therefore, I made this request.

Then I come to the figures of arrears of income-tax about which much has been said. I do not say that arrears are not heavy or that they should be disregarded. We should certainly clear them, but the arrears are not what are imagined by them. The arrears of uncollected income-tax and allied taxes relating to war and immediate post-partition period amounted to Rs. 262.19 crores on the 31st December, 1957. Out of these arrears, Rs. 34.91 crores had not fallen due for collection before 31-12-1957. Therefore, that cannot be called arrears. The balance is like this. Over Rs. 16.5 crores represent the demand which will be adjusted or wiped off against double income-tax relief and other claims when these are settled. Demand to the extent of Rs. 31.64 crores is outstanding, pending appeal. In all, that amount comes to Rs. 48.14 crores. The amounts recoverable also are there, amounting to Rs. 46.15 crores. Therefore, between these two figures themselves, it will mean about Rs. 94 crores. Of the balance of the demands which had fallen due before 31st, and was available for collection, namely, Rs. 132.99 crores, Rs. 83.5 crores are covered by recovery certificates issued to Collectors and normal recovery action is being taken in respect of the balance. This is all that is being done. The various measures open to the department to enforce recovery or attachment of movable assets from defaulters, and from other parties are taken

I do not want to burden the House just now with all the details, because there is not much time for it. But I would assure the hon. House that we are alive to this. If more progress

has not been made, so far, according to the expectations of the hon. Members, I would only say that we shall try to make further progress and we shall try to see that the arrears are wiped out as fast as possible. Yet, I will have to admit here and now that it will not be possible to reach a stage when I can say that there will be no arrears. The nature of the work is such that there are bound to be some arrears every year, but they must not continue for a long time. They must go on being recovered from time to time, so that there are not old arrears. That is what we are trying to see.

The department is also trying to plug the holes through which several things escape, and this House itself has made changes in the Income-tax Act for the purpose of plugging these holes. All these things are being done and yet, the more holes are plugged, those who are adept in it make more holes. That has been the experience the world over; it is not the experience of this country only. Therefore, we have also to find out other ways of inducing the people to be truthful and to give us more and more rather than to hide more and more. The only way of doing it is not merely coercion, but the other way also, and that is, to bring out the better part of human nature so that we are helped in this matter to make them more conscious of the country's needs and to be more dutiful to this country. That is all we should do. But we will not do so by wholesale condemnation as is indulged in sometimes even in this hon. House.

Now, some of these people who are engaged in business and industry were called sharks and octopuses.

**Shri Prabhat Kar:** Man-eaters.

**Shri Mahanty:** Shark liver oil is very healthy.

**Shri Morarji Desai:** Well, they may also be called man-eaters. But is it forgotten that there are sharks and

octopuses and man-eaters in all classes of mankind?

**An Hon. Member:** The percentage is greater.

**Shri Morarji Desai:** The percentage is perhaps larger elsewhere. Therefore there is no use trying to refer to percentage. What I want to say is, jealousies should not come in this matter. That is all.

**Mr. Speaker:** Some person may be a cow, so long as he has no money. The moment he gets money, he becomes a shark.

**Shri Morarji Desai:** It is not merely that. But, my hon. friends who called them sharks do not mind going to them, entreating them and asking for their help where they are concerned, and the conditions that have been given by the Kerala Government in this matter to persons to whom these people object are the conditions which have not been asked from other States. Why? They have given those conditions, because,—well, who were the sharks in this country? That is what could be seen. What is the use of considering this matter in this way? I do not think it profits us to do so.

**Shri Nagi Reddy:** What are the conditions there?

**Shri C. D. Pande:** Ask the Kerala Government.

**Shri Morarji Desai:** The conditions are known to their Government very well. Why ask me about it?

**Shri Nagi Reddy:** Because he has just now referred to them.

**Shri Morarji Desai:** The conditions are full security for them to see that they are not bothered as my hon. friends are used to bother people always. That is the main condition.

**Mr. Speaker:** Conditions or no conditions, I would ask the hon. Members not to mention names. After all, the classes are changing. It is not by birth that a man is a rich man. Even

during his own life-time he may become a poor man. And a poor man may become rich. Therefore, calling names in this House does not add to our own prestige here. Let us avoid all that as far as possible.

**Shri Braj Raj Singh:** Man-eaters are meant.

**Mr. Speaker:** I am sure it has escaped the attention of the hon. Member. He wanted to depict something. For want of other words, he used it. That is all.

**Shri Morarji Desai:** There is something sharkish in every person. No person is free from it, but good people try to suppress that, because the meaning of a shark is that it attacks without any reason or any provocation. But some people try to suppress that tendency and some people do not try to do it. That is all that I can say.

Another question was raised about the separation of audit and accounts. The question was raised as to whether it has been sought to be implemented. This has been applied to three Ministries in the Centre and it is working. We are also considering how it can be applied to other ministries. In the States too, when it was applied to West Bengal and Saurashtra, it is now found by the Comptroller and Auditor-General that that is not right and that is being switched back. The present Comptroller and Auditor-General had come to the conclusion that this not perhaps the best way. The audit and accounts should remain together. Therefore, let not my hon. friend think that we are unmindful of the advice given to us by the Comptroller and Auditor-General.

**Shri Harish Chandra Mathur:** Has the Government also come to that conclusion?

**Shri Morarji Desai:** This is under consideration. Therefore, it is being considered. But we have got to give respect to the views of the Comptroller and Auditor-General which he

[Shri Morarji Desai]

wants us to do. Even when we are giving respect to that advice if he is going to find fault with us, I do not know what is going to please him. We consider that the Comptroller and Auditor-General is certainly out of the greatest assets for a proper Government and we certainly hear and take his advice and that is being considered and decisions are made. In this matter, the Comptroller and the Auditor-General has himself come to the conclusion that it may not be wise to separate them now because it also involves a lot of other matters and more expenditure. We do not want to have more expenditure and that also is one of the relevant arguments in this matter.

In this connection, I may also mention the complaint about increased expenditure of Government or administration which requires to be curtailed. Constant attempts are being made. Various committees also are being appointed. A special division has been set up in order to study this matter. We are trying to see and find out where we can make retrenchment or economies in the administration and I hope that in course of time we shall be able to show some results. I am quite new to the department. I cannot say immediately that I will be able to do this or I will be able to do that. It is a collective matter for Government. I can only say that I will contribute my part in it, and we shall try to see that unnecessary expenditure is removed and that wasteful expenditure is completely removed and eliminated. That is that we all are trying to see. We are studying it at present. I have started it with my own Ministry, and I am trying to see what results can be achieved. Then it will give me experience and we can give the benefit of it to other people also. That is how this question has been taken up.

I will now come to the economic questions which have been raised. It was said that there is over-production, lesser consumption and higher prices.

Except in textiles, my hon. friend could not give any other instance.

**Shri Nagi Reddy:** I said it is the beginning of an economic recession.

**Shri Morarji Desai:** There is no question of recession in this country. Let not the recession idea obsess my hon. friend. I do not think there is any question of recession in this country at all. Unless we fail ourselves, why should there be recession? It is a developing economy and there is no scope for recession here unless we do not pull together or try to hurt each other, as my hon. friends are trying to do.

**Shri Nagi Reddy:** It is only a warning that one should be careful and nothing else.

**Shri Morarji Desai:** We are as careful as we can be. Perhaps my hon. friends think that we are not as much intelligent as they are. We are prepared to profit by their intelligence, but I would only request them to profit by our intelligence also. That will make them better people, if not more intelligent.

Production has increased, consumption has increased and it is therefore that the prices do not go down. But the prices do not go up as much as they are going up in other countries. Instead of giving credit to this Government for keeping down inflation to the minimum amount as compared to many other countries, unnecessarily fault is being found with it and people's sentiments are being excited in order that they may be won away from the Government. I am quite sure that the hearts of this country's people are very sound and they will not be deflected by these methods.

In the textile industry the reason was quite different. It is not that consumption has gone down; consumption is there, but it is not increasing as fast as it was expected. There was more production considering that there would be more consumption. But you cannot go on having more and more

consumption as you expect. After all, increase in the prosperity of this country cannot go on immediately as we want it. We have got to go about it patiently, not complacently, but not impatiently. That is what we have got to do and that is the line this Government has taken.

I shall now come to the question of the Plan. My hon. friend Shri Asoka Mehta, said that we are not mindful of these things; we are having a Plan where there are unrelated, uncoordinated schemes and confusion in it; it cannot be called a flexible plan, etc. He says there are areas of ignorance, tangle-knots of confusion....

**Shri Asoka Mehta:** Not about the Plan.

**An Hon. Member:** In our minds.

**Shri Asoka Mehta:** I said that about the report on foreign exchange position which you have given to us. If your assistants had taken down notes, I hope they had taken them down correctly.

**Shri Morarji Desai:** The notes were taken by me; I was present here all the time.

**An. Hon. Member:** That is why the confusion is there.

**Shri Morarji Desai:** I am only trying to show where the confusion lies. If I am allowed, I will be able to show it. I am quoting only the adjectives that were used; I am not saying they are applied.

The word "core" of the plan has been objected to. But what does my hon. friend do? He is using words like soft substance, periphery and all that. Can we say "areas of ignorance, tangle-knots of confusion" and all that? He has said, there is senility on the treasury benches. I do not know, some other adjectives were also used.

**Shri Nath Pal:** These are not adjectives; they are nouns.

**Shri Morarji Desai:** They are nouns used as adjectives. Let my hon. friend have some knowledge about these things, how nouns can be used as adjectives. My hon. friend perhaps does not know that, though he is an expert.

**Shri Nath Pal:** New grammar!

**Shri Morarji Desai:** But let us now first of all see what our Plan is and why it has been made like that. I know that the hon. House knows it, but I do not think it would be wrong of me to remind hon. Members about how the Plan has been made. I do not think there is any confusion about the Plan itself in the minds of the Ministry or the Planning Commission. The Plan was deliberately made of the size of which it is made. It is not that these difficulties have arisen all of a sudden and they were not known at the time the Plan was framed. We all want to arise the level of prosperity in this country and to remove poverty from this country. If we want to do that, we have got to work fast enough; we cannot work at leisure for a few centuries or even one century in order to raise the level of prosperity. We have, therefore, got to take risks.

We successfully implemented the First Five Year Plan; that gave us also some confidence. Therefore, we took risks even when they were pointed out. We knew that there are some areas where we are not quite sure of the resources. What was going to happen to those resources, we did not know; but we were sure that we might be able to find out ways and means to meet those resources. That was how it was considered and we are succeeding to some extent in that. I do not say, therefore, that we were as careful in the initial stages as we should have been. That was on account of the success, on account of easier circumstances obtaining at that time and we became a bit more confident about it; we were riding on the crest of the wave. If the steps now taken by us had been, taken earlier,

[Shri Morarji Desai]

probably these things would not have been noticed. They have made us wiser. Not only that; they have benefited us to some extent, because it has led us to a more intensive effort today and we are going now in the right direction, in which we should have gone. We are conscious of it and we will see that such things do not occur in future and that the progress is faster and faster, as it should be. I do not think my hon. friends want that we should be so realistic that we should be considering what the resources are and because they are poor, we should not make any further effort to increase the resources. We must increase the resources and stretch them to some extent, if we want to increase our prosperity; and, that is what we are trying to do.

In the matter of external resources and internal resources, it is the same story. We are trying to work on those lines. It is not possible to convince my hon. friends about the results. That I can readily agree. It is true that we have not been able to put before the House the figures which they are expecting. But that is being compiled. The Planning Commission is very busy in reassessing the whole Plan, so that the whole thing can be put in detail and confusion and tangle-webs may not remain. Even if tangle-webs remain, we may be able to explain them at any rate, if they are not removed, because nobody can say that it will be so simple, that there will be no confusion or tangle-web at any time. Something will still remain. But it will also depend upon the outlook or the ideology in which a person believes. I know my hon. friend Shri Prabhat Kar or his friends like Shri Nagi Reddy will never believe in what I am believing. He believes in a totalitarian State.

Shri Nagi Reddy: Question.

Shri Morarji Desai: No amount of reasons or arguments which are raised by them are going to convince me that they believe in any other State.

Mr. Speaker: We see that they have taken to democracy now.

Shri Morarji Desai: It is only the story of the brahmin and the three thugs who went to the brahmin. I do not want to be in the position of that brahmin. I am not going to be deceived in this matter. They may do all these things, but it is not possible to convince me that they are going to change their methods.

Shri S. M. Banerjee (Kanpur): The hon. Minister has used the word "thugs". Is it consistent with the decorum of the House?

Mr. Speaker: I would like hon. Members to avoid this as much as possible. But if a man says he is a lion of this House, it does not mean that he has got claws. Similies are always there, but they are not to be applied to every inch.

Shri Morarji Desai: I have absolutely no desire to apply it not only to every inch, but any inch. But if my hon. friends are very conscious of it, what can I do?

Shri S. M. Banerjee: Is it in keeping with the decorum of the House? We know so many stories. (*Interruption.*)

Shri Morarji Desai: I am only saying that I do not want to be deceived by any outside circumstances.

Mr. Speaker: Order, order. As far as possible, I would urge upon hon. Members on both sides to try to avoid expressions which may be misunderstood. My honest impression is, if a person changes over from a totalitarian state to democracy, if you go on telling that he is right, he will certainly become a democrat.

Shri Morarji Desai: I should certainly like to believe that.

Shri Tangamani: The hon. Minister has said, we must try to shoot to kill, not disperse. That is the record of the hon. Minister.



**Shri Morarji Desai:** I never said that. The strongest point of my hon. friend is not truth. Therefore he will never admit it. He will never say what I have said.

**Mr. Speaker:** There are only a few more minutes.

**Shri Prabhat Kar:** Wisdom is his monopoly.

**Shri Nath Pai:** In those few minutes we want you to speak on economics, not morals.

**Shri Morarji Desai:** It is not my monopoly. I am not at all-wise. I have never claimed it. That is only given to my hon. friends. They think nobody is wise except them. I am prepared to learn from them. That is what I am saying. I only say that I do not want to be led astray as they want.

**Mr. Speaker:** The hon. Minister says that all this criticism is due to their ideology of a totalitarian state. If they wanted to believe in democracy, there will be a different criticism.

**Shri S. M. Banerjee:** Are we discussing the world budget?

**Shri Tangamani:** Democracy is not the monopoly of the Minister.

**Shri Prabhat Kar:** Is he replying to the Finance Grants? *(Interruption.)*

**Shri Morarji Desai:** My hon. friends are not prepared to hear me because they feel that I have an effective reply for them.

**Some Hon. Members:** Very effective reply.

**Shri Morarji Desai:** What can I do if they do not want to hear? It is not for them that I am speaking. I know I cannot speak to them and I cannot convince them. They are too clever for me. I am not clever enough for them. I want to protect some of my own brothers and sisters who may be drawn into their snare. Otherwise, I would not have said it. I know I am annoying my hon. friends. Why should

they not be prepared to hear these plain truths? *(Interruption.)*

**Shri Nath Pai:** You are amusing, not annoying.

**Shri Morarji Desai:** If my hon. friends were amused, they would not have made the show which they are making. If they are amused, I would see happiness on their faces. I am seeing annoyance on their faces.

**Some Hon. Members:** We are enjoying.

**Shri Morarji Desai:** They are annoyed. I am enjoying; they are annoyed. I will go on enjoying even if they do not.

**Mr. Speaker:** There are only seven minutes more.

**Shri Morarji Desai:** Therefore, what I am saying is, in the matter of our Plan, the Plan was for Rs. 4,800 crores. It stands at Rs. 4,800 crores today. Of course, it has been said that there will be some more expenditure on account of increase in prices and other things. Then, it will become Rs. 54,00 crores. That, again, is also being assessed. How far we will be able to do exactly is being assessed and will be put before this hon. House. I am giving my own conviction and my own feeling in this matter. I say that we have made this Plan deliberately. There are difficulties in the way. There are difficulties of foreign exchange. When we are trying to meet the foreign exchange difficulty successfully, my hon. friends try to say, you are being drowned in foreign capital. They do not want the Plan to succeed and yet they go on making a claim that they want the Plan to succeed. How are foreign exchange difficulties to be solved except by a loan or except by aid from other people? That is what we are trying to do. What are we doing? We are not begging of other people.

**Shri Nagi Reddy:** I am sorry to interrupt. I did not talk of loan. I talked of foreign private capital.

**Mr. Speaker:** Does not matter. Order, order; nobody need interrupt. There is very little time.

**Shri Morarji Desai:** Whether it is a loan or foreign exchange comes from private capital, our purpose is served in the same way.

**Some Hon. Members:** How?

**Shri Morarji Desai:** What we have to see is that our rules must be such that we are not swallowed. That is all that we are trying to do.

**Shri Nagi Reddy:** Brush up your economics.

**Shri Morarji Desai:** The House may rest assured that if we are not going to be swallowed by my hon. friends, the world will not be able to swallow us. I have no doubt about that. I can promise they won't be able to swallow us because they are not capable of doing so. We have enough capacity to see that we are not swallowed. In this matter, if we are arranging this, we are not going begging anywhere. There are friendly countries and in all sections. Soviet Russia is helping us as the U.S.A. is helping us. All countries are helping us because we are friendly to everybody. We believe in being friendly to everybody. We do not believe in being friendly to some only as my hon. friends believe. We are friends everywhere. I consider them also as my friends.

**Shri Nagi Reddy:** On a point of order, Sir, I wish when a reply is given by an hon. Minister....

**Mr. Speaker:** What is the point of order?

**Shri Nagi Reddy:** That is what I am coming to. He should not misrepresent the opinions expressed by the Opposition. I said that foreign private capital is to be excluded: not foreign loans or any foreign assistance. That is exactly my point. I gave an example for my point. I want a direct reply or no reply.

**Shrimati Tarkeshwari Sinha:** What is foreign capital?

**Mr. Speaker:** There is no point of order in this. No single hon. Member should feel that the reply of the Minister is directed only to him. The Minister gathers all the points that have been said. Each one will divide it according to what he has said and apply the answer to himself so far as that portion is concerned.

**Shri Morarji Desai:** I do not expect that my hon. friends should accept whatever I tell them and believe in them. That is the truth of it. They may believe in the facts. But, they may not believe in the ideas. I do not want them to believe if they do not want to believe. But, why do they want me to speak as they want me to speak? I do not want them to speak as I speak. Certainly, I should like to convince them as they want to convince me. Let us convince each other. But, why get ragged in the process or get annoyed in the process? If I am saying this, I am not evading any issue. I am replying to their arguments in the way they had made. If they had not raised these issues, I would not have spoken about them. That is why I have spoken about them.

**Shri Nagi Reddy:** Not in the way they were made.

**Shri Morarji Desai:** I am sure there are some more matters which will be spoken again during the debate on the Finance Bill. There will be another opportunity for me to speak on them. Therefore, I do not want to take more time now. I am thankful again to hon. Members, all of them, my hon. friend there too, because they have educated me a good bit. They have made me wiser and also happier and capable of not being deceived.

**Mr. Speaker:** I will now put all the cut motions to the House.

*All the cut motions were put and negatived.*

Mr. Speaker: The question is:

"That the respective sums not exceeding the amounts shown in the fourth column of the Order paper, be granted to the President, to complete the sums necessary to defray the charges that will come in course of payment during the year ending the 31st day of March, 1959, in respect of the heads of demands entered in the second column thereof against Demand Nos. 27 to 41 and 111 to 117 relating to the Ministry of Finance."

*The motion was adopted*

[The motions for Demands for Grants which were adopted by the Lok Sabha are reproduced below—Ed.]

**DEMAND NO. 27—MINISTRY OF FINANCE**

"That a sum not exceeding Rs. 1,45,54,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Ministry of Finance'."

**DEMAND NO. 28—CUSTOMS**

"That a sum not exceeding Rs. 3,81,58,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Customs'."

**DEMAND NO. 29—UNION EXCISE DUTIES**

"That a sum not exceeding Rs. 7,21,32,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Union Excise Duties'."

**DEMAND NO. 30—TAXES ON INCOME INCLUDING CORPORATION TAX, ETC.**

"That a sum not exceeding Rs. 4,96,28,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Taxes on Income including Corporation Tax, etc.'."

**DEMAND NO. 31—OPIUM**

"That a sum not exceeding Rs. 34,34,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Opium'."

**DEMAND NO. 32—STAMPS**

"That a sum not exceeding Rs. 2,14,55,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Stamps'."

**DEMAND NO. 33—AUDIT**

"That a sum not exceeding Rs. 9,19,03,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Audit'."

**DEMAND NO. 34—CURRENCY**

"That a sum not exceeding Rs. 3,39,30,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Currency'."

**DEMAND NO. 35—MINT**

"That a sum not exceeding Rs. 4,37,31,000 be granted to the President to complete the sum necessary to defray the charges which

will come in course of payment during the year ending the 31st day of March, 1959 in respect of 'Mint'".

**DEMAND No. 36—TERRITORIAL AND POLITICAL PENSIONS**

"That a sum not exceeding Rs. 20,25,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Territorial and Political Pensions'".

**DEMAND No. 37—SUPERANNUATION ALLOWANCES AND PENSIONS**

"That a sum not exceeding Rs. 2,92,50,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Superannuation Allowances and Pensions'".

**DEMAND No. 38—MISCELLANEOUS DEPARTMENTS AND OTHER EXPENDITURE UNDER THE MINISTRY OF FINANCE**

"That a sum not exceeding Rs. 28,50,32,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Miscellaneous Departments and Other Expenditure under the Ministry of Finance'".

**DEMAND No. 39—PLANNING COMMISSION**

"That a sum not exceeding Rs. 1,92,50,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959 in respect of 'Planning Commission'".

**DEMAND No. 40—MISCELLANEOUS ADJUSTMENTS BETWEEN THE UNION AND STATE GOVERNMENTS**

"That a sum not exceeding Rs. 6,11,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Miscellaneous Adjustments between the Union and State Governments'".

**DEMAND No. 41—PREPARTITION PAYMENTS**

"That a sum not exceeding Rs. 31,55,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Pre-partition Payment'".

**DEMAND No. 111—CAPITAL OUTLAY ON INDIA SECURITY PRESS**

"That a sum not exceeding Rs. 10,15,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Capital Outlay on India Security Press'".

**DEMAND No.112—CAPITAL OUTLAY ON CURRENCY AND COINAGE**

"That a sum not exceeding Rs. 2,66,38,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Capital Outlay on Currency and Coinage'".

**DEMAND No.113—CAPITAL OUTLAY ON MINTS**

"That a sum not exceeding Rs. 42,35,000 be granted to the President to complete the sum necessary to defray the charges which

will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Capital Outlay on Mints'".

**DEMAND No. 114—COMMUTED VALUE OF PENSIONS**

"That a sum not exceeding Rs. 41,99,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Commutated Value of Pensions'".

**DEMAND No. 115—PAYMENTS TO RETRENCHED PERSONNEL**

"That a sum not exceeding Rs. 11,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Payments to Retrenched Personnel'".

**DEMAND No. 116—OTHER CAPITAL OUTLAY OF THE MINISTRY OF FINANCE**

"That a sum not exceeding Rs. 82,37,05,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Other Capital Outlay of the Ministry of Finance'".

**DEMAND No. 117—LOANS AND ADVANCES BY THE CENTRAL GOVERNMENT**

"That a sum not exceeding Rs. 68,51,68,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Loans and Advances by the Central Government'".

Mr. Speaker: I shall now put all the other Demands to the vote of the House.

The question is:

"That the respective sums not exceeding the amounts shown in the fourth column of the Order Paper, be granted to the President, to complete the sums necessary to defray the charges that will come in course of payment during the year ending the 31st day of March, 1959, in respect of the heads of demands entered in the second column thereof against—

Demands No. 75 to 77 relating to the Ministry of Law,

Demand No. 101 relating to the Department of Parliamentary Affairs,

Demand No. 102 relating to Lok Sabha,

Demand No. 104 relating to Rajya Sabha,

Demand No. 105 relating to the Secretariat of the Vice-President.

*The motion was adopted.*

[The motions for Demands for Grants which were adopted by the Lok Sabha are reproduced below—Ed.]

**DEMAND No. 75—MINISTRY OF LAW**

"That a sum not exceeding Rs. 17,77,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Ministry of Law'".

**DEMAND No. 76—ELECTIONS**

"That a sum not exceeding Rs. 1,66,29,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Elections'".

**DEMAND No. 77—MISCELLANEOUS EXPENDITURE UNDER THE MINISTRY OF LAW**

"That a sum not exceeding Rs. 4,99,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Miscellaneous Expenditure under the Ministry of Law'".

**DEMAND No. 101—DEPARTMENT OF PARLIAMENTARY AFFAIRS**

"That a sum not exceeding Rs. 2,06,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Department of Parliamentary Affairs'".

**DEMAND No. 102—LOK SABHA**

"That a sum not exceeding Rs. 90,15,000 be granted to the President to complete the sum necessary to defray the charges which

will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Lok Sabha'".

**DEMAND No. 104—RAJYA SABHA**

"That a sum not exceeding Rs. 29,15,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Rajya Sabha'".

**DEMAND No. 105—SECRETARIAT OF THE VICE-PRESIDENT**

"That a sum not exceeding Rs. 54,000 be granted to the President to complete the sum necessary to defray the charges which will come in course of payment during the year ending the 31st day of March, 1959, in respect of 'Secretariat of the Vice-President'".

17 hrs.

*The Lok Sabha then adjourned till Eleven of the clock on Friday, the 18th April, 1958.*