

MR. CHAIRMAN: Now, we take up clause-by-clause consideration.

The question is:

"That Clauses 2, 3 and 4 and the Schedule stand part of the Bill."

The motion was adopted.

Clauses 2, 3 and 4 and the Schedule were added to the Bill.

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

SHRI SATISH AGARWAL: Sir, I move:

"That the Bill be passed."

MR. CHAIRMAN: The question is:

"That the Bill be passed."

The motion was adopted.

14.34 hrs.

FINANCE BILL, 1979

MR. CHAIRMAN: Now, we take up the Finance Bill. 15 hours have been allotted for all the three stages of the Bill. If the House agrees, we shall have eleven hours for the General Discussion, three hours for clause-by-clause consideration and one hour for the Third Reading....

PROF. P. G. MAVALANKAR (Gandhinagar): Sir, the Bill which was passed just now has been passed without a quorum in the House....

SHRI HARI VISHNU KAMATH (Hoshangabad): There was no quorum in the House.

PROF. P. G. MAVALANKAR: How can an Appropriation Bill be passed without a quorum in the House? There should be at least quorum when so many crores of rupees are being pressed....

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SATISH AGARWAL): It is all over. When the Bill was passed, there was quorum in the House.

MR. CHAIRMAN: Anyway, we have gone ahead now. The point was not raised at that time. Now it cannot be raised. Now we cannot say that quorum was not there at that time. It was deemed to have been there.

Regarding the allotment of time for the Finance Bill, I think the House agrees to what was proposed....

SHRI K. GOPAL (Karur): Let it be flexible.

SHRIMATI PARVATHI KRISHNAN (Coimbatore): In view of the fact that many of the Ministries have been guillotined, let us leave the time flexible. For the present, we say 'yes'.

SHRI K. GOPAL: I think, Choudhri Saheb wants to hear all of us.

MR. CHAIRMAN: I am in the hands of the House.

SHRI HARI VISHNU KAMATH: On a point of order. On the 20th April, last Friday, I had raised this issue about Finance Bill....

MR. CHAIRMAN: Is it regarding allotment of time?

SHRI HARI VISHNU KAMATH: Yes, it is about time allocation. The Speaker, responding to the issue which I had raised on the 20th April, last Friday, observed thus—I am quoting from the debate.

"15 hours have been allotted for the Finance Bill. We will have five hours each on Tuesday, Wednesday and Thursday."

We do not have five hours today unfortunately. Fortunately the Ap-

propritation Bill did not take more than one hour. We will have five hours each on Wednesday and Thursday. Please note the words of the hon. Speaker:

"So, next week to sit beyond 6 p.m. will not be necessary or, if necessary, we will consider...."

So as to get 5 hours each on these days or we will sit on Friday. We must have 15 hours. Therefore, the House will consider here and now whether we would like to sit on these days beyond 6 p.m. or sit on Friday also.

MR. CHAIRMAN: Let me first decide this particular point. Then I will take your other points.

The first point is that 15 hours have been decided. That you have to agree. I just put it to the House whether this should be the sort of division—that is, 11 hours for General Discussion, 3 hours for clause by clause discussion and one hour for the Third reading. If the House agrees, we proceed accordingly.

SOME HON. MEMBERS: Yes.

MR. CHAIRMAN: So, the House agrees to that.

Another point raised by Mr. Kamath is we have to find five hours each on these three days. But to-day we have to sit upto 6 p.m. only. How to find time for five hours, I think that can be considered to-morrow? Why to-day? We will decide it tomorrow.

SHRIMATI PARVATHI KRISHNAN: Tomorrow if it is to be considered, it should be considered early in the day. I agree that we do not consider it to-day in view of the tremendous attendance that is there! It can be considered tomorrow early in the day.

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI CHARAN SINGH): Sir, I move*:

"That the Bill to give effect to the financial proposals of the Central Government for the financial year 1979-80, be taken into consideration."

The salient features of the proposals contained in the Finance Bill had been outlined in my Budget Speech. I would not, therefore, like to take the time of the House by traversing the same ground.

As Hon'ble Members would recall, in responses to the suggestions made in the course of the general debate or the Budget in this House, I had already announced on 16th March certain modifications to my original proposals relating to indirect taxes. I would like to recapitulate briefly the modifications announced then. The excise duty on confectionery, cocoa powder, chocolates and biscuits was reduced from the originally proposed levels to 10 per cent *ad valorem*. Duty on low-priced toilet soap was reduced from 15 per cent to 12.5 per cent *ad valorem* and that on laundry soap from 20 per cent to 15 per cent *ad valorem*. Duty on tooth paste was reduced from 25 per cent to 20 per cent *ad valorem*. I had also announced that tooth brushes and locks would be subjected to 8 per cent duty and that they would be ultimately brought back to the residuary tariff item No. 68 of the Central Excise Tariff. Accordingly I shall be separately moving official amendments to the Finance Bill.

Further, I had reduced the duty on matches produced by the mechanised sector from Rs. 9.20 to Rs. 7.20 per gross of boxes. I had also announced complete exemption from excise duty on footwear valued upto Rs. 15 per pair. In pursuance of the an-

*Moved with the recommendation of the President.

[Shri Charan Singh]

nouncement made by me then that the rate of import duty on specified vegetable non-essential oils imported by the State Trading Corporation, would be reduced from 12.5 per cent to 5 per cent *ad valorem*, necessary exemption orders have already been issued. These reliefs already announced by me would involve a sacrifice of revenue of about Rs. 20 crores under excise duty and Rs. 11.45 crores under customs duty.

It is nearly 7 weeks since the Finance Bill was introduced in this House. During this period I have received many valuable suggestions from the Hon'ble Members of this House, members of the public, chambers of commerce and other professional bodies and I am gratified that the budget proposals this year have evoked keen interest and constructive criticism. On a careful study of these representations and suggestions, Government thinks it proper to make some further modifications in these proposals.

In many of the representations received by me, it has been urged that increased levies on certain articles, which are widely used particularly in urban areas will affect adversely the urban middle class. In deference to this point of view, it is proposed to reduce the duty on house-hold and laundry soap from 15 per cent to 5 per cent *ad valorem*, that on low priced toilet soap from 12.5 per cent to 10 per cent *ad valorem* and that on other varieties of toilet soap from 20 per cent to 15 per cent *ad valorem*. I would like to submit for the information of the Hon'ble Members that, with these changes, these varieties of soap will not only be relieved of the additional burden placed on them under the original budget proposals but, in fact, will pay lower excise duty in the aggregate than prior to the introduction of the budget. Keeping in view the reduction in excise duty now effected on toilet soap, I propose to reduce the rate on deter-

gents also from 20 per cent to 15 per cent *ad valorem*. I hope that these reliefs will be welcomed specially by the lady members on my side of the House.

As a measure of help to the hand-processing sector of the textile industry, I had increased the consolidated rate of basic plus additional excise duty on power processed white cotton fabrics from 8 per cent to 12 per cent *ad valorem*. It has been urged by the powerloom sector that with this change, the excise differential on this variety of fabrics in relation to similar fabrics produced by composite textile mills had been narrowed and that this might adversely affect the competitive capacity of powerloom fabrics. It has also been represented that these white fabrics are used as base fabrics by the hand-printing industry. While I recognise the force of these arguments, I would like to point out that it is also necessary to ensure that whatever corrective action is taken, it does not affect handlooms adversely in their competition with powerloom fabrics. Having regard to the need to reconcile these conflicting considerations, I propose to reduce the consolidated basic plus addition excise duty on such par processed white fabrics from 12 per cent to 11 per cent *ad valorem*.

As Hon'ble Members are aware, the budget proposals had sought to reduce somewhat the prices of certain essential and life-saving drugs by downward adjustments, the duties leviable on them. In furtherance of the same objective of reducing the prices of essential drugs I now propose to restrict the level of excise duty on glass vials and ampules which are generally used for packing injectibles, to the duty paid on the base glass out of which they are manufactured. These glass articles are generally made in the small-scale sector out of duty-paid glass and it is appropriate that they should not bear a high duty burden.

These modifications proposed by me now in excise duties, would involve a further sacrifice of revenue of 16.29 crores in a full year.

These will be given effect to immediately by issue of Gazette Notifications. I am also placing* copies of the notifications on the Table of the House.

I have also received a number of representation in regard to other indirect tax proposals. I have given due consideration to them. However, I regret, I am unable to accept these suggestions because they run counter to the basic social and economic objectives under-lying my budget proposals or would cause serious erosion of resources.

I would like to make special mention of the widespread demand for reconsideration of the increase in duties on petroleum products in general and kerosene in particular. I have already explained briefly in my reply to the General Debate on the Budget on 16th March the rationale of these levies. If I have not been able to respond favourably to the suggestions made by the Hon'ble Members for withdrawal or reduction of these levies, it is not because I am insensitive to the hardship caused to the middle class and poor people in both urban and rural areas by these levies. I would like to point out to the Hon'ble Members that my Budget proposals in regard to this sector only reflect the inevitable consequences of the sharp increase in prices of crude and petroleum

*(1) A copy each of the following Notifications issued under the Central Excise Rules, 1944 and an explanatory memorandum were laid on the Table:—

- (i) Notification No. 170/79 published in Gazette of India dated the 24th April, 1979 regarding effective rate of duty on soap.
- (ii) Notification No. 171/79 published in Gazette of India dated the 24th April, 1979 rescinding Notification Nos. 53/79-CE dated the 1st March, 1979 and 119/79-CE dated the 16th March, 1979 relating to rates of duty on soap.
- (iii) Notification No. 172/79 published in Gazette of India dated the 24th April, 1979 regarding effective rate of duty on organic surface active agents.
- (iv) Notification No. 173/79 published in Gazette of India dated the 24th April, 1979 making certain further amendments to Noti-

fication No. 136/77-CE dated the 18th June, 1977 revising duty on power processed white fabrics (fents).

- (v) Notification No. 174/79 published in Gazette of India dated the 24th April, 1979 making certain further amendments to Notification No. 226/77-CE dated the 15th July, 1977 revising duty on power processed white fabrics.
- (vi) Notification No. 175/79 published in Gazette of India dated the 24th April, 1979 exempting glass ampoules and glass vials for injectibles made from glass on which excise duty or additional duty under section 3 of the Customs Tariff Act, 1975 has been paid.

- (2) An explanatory memorandum (Hindi and English versions) in regard to Notifications mentioned at (1) (i) to (vi) above.

(Placed in Library. See No. LT-352-A/79).

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products effected by Oil Exporting Countries. According to the latest estimates, our oil industry will have to bear an additional burden of nearly 500 crores in 1979-80 as a result of the rise in international prices of crude. The estimate even a few weeks back was only Rs. 350 crores. In the face of these developments in the international energy scene, over which we have no control, adjustments in prices of petroleum products became inescapable. By postponing price increases, we would only be weakening the urge for economy in the use of petroleum products and piling up difficulties for the immediate future and rendering more painful the process of adjustment of our life styles and economic policies to the imperatives of the new energy situation. I would request the Hon'ble Members to view my proposals in this wider perspective and not to press for reliefs in the levies on petroleum products.

Surprisingly, I have received a large number of representations about the increase in excise duty on matches produced in the mechanised sector, some of them, if I may say so, from unexpected quarters. I have already scaled down by 50 per cent the increase originally proposed in the excise duty on matches produced by the mechanised sector. I am afraid that I cannot agree to any further reduction consistent with my objective of using the fiscal mechanism as an instrument for promoting labour-intensive methods of production wherever there is some room for choice of techniques of production. I would therefore request the mechanised sector of the industry to adjust itself to the new pattern of levies and strive to serve the public and meet their needs on prices which are both fair and economical.

The increased levy on the residual Central Excise Tariff under item No. 68 has evoked considerable comment. Inasmuch as the increase in levy under this item has been pro-

posed largely on considerations of revenue, I would request the Hon'ble Members that most of the other excisable commodities, in fact, already bear a levy at rates significantly higher than 8 per cent. The sum of Rs. 100 crores, which I am seeking to raise under this item 68, will be spread over a wide range of articles and will thus cause less hardship and economic distortion than if I had sought to raise the same amount from a few select commodities. The modifications which I have effected in the scheme of relief available to small-scale manufacturers under this item, has also come in for criticism. I have received a letter signed by a large number of Members of Parliament proposing restoration of the original limit of exemption under this head. The object of providing exemption for small-scale manufacturers is to confer on them a competitive advantage in relation to the large-scale sector. Under the original scheme of exemption to the small-scale manufacturers under this item 68, when the rate was 5 per cent, a manufacturer with annual clearances aggregating to Rs. 30 lakhs would have secured a tax advantage of Rs. 1.5 lakhs per annum. Under the revised scheme, in terms of which he would pay no duty at all on clearances upto Rs. 15 lakhs and only at 4 per cent on clearances between Rs. 15 lakhs and Rs. 30 lakhs, he will get a duty advantage of Rs. 1.80 lakhs as compared with a large-scale unit. I would like the Hon'ble Members to appreciate that a small-scale manufacturer of products falling under item 68, would therefore be better off than he was earlier in relation to large-scale manufactures of the same items. We should eschew an emotive approach to this question of preferential treatment to small-scale manufacturers and view it dispassionately in terms purely of the monetary advantage which could reasonably be conferred on small-scale manufacturers as against their large-scale competitors. If such a logical approach is adopted

I have no doubt that the Hon'ble Members would appreciate that I have done nothing to impair the competitive advantage of small-scale manufacturers but have on the contrary enhanced it somewhat.

Criticism has also been voiced regarding my proposals relating to biris. It has been urged that the poorer sections of society, particularly the rural areas will be affected by the levy on biris. If allowance is made for the duty incidence on tobacco which has now been abolished, and has been shifted to tobacco products, the net effective increase in duty on biris will be of the order of only 60-70 paise per 1,000. The total additional excise burden on the biris sector is of the order of only Rs. 2.07 crores. The additional burden on a smoker of biris would not exceed 1 paise per bundle of 15 biris.

It has been urged by the smaller cigarette companies that the specific component of excise levy introduced in this year's Budget, may bear harshly on them. They have expressed the fear that the cheaper varieties of cigarettes produced by them, would be priced out by the bigger and better established cigarette manufacturers. Hon'ble Members may recall that the specific component was incorporated with a view to recouping, among other things, the loss of revenue from tobacco excise duty. Any attempt to reduce the specific duty component on cheaper priced cigarettes, would not solve the problem of smaller companies because such reduction would also benefit the bigger multi-brand companies. However, Government will watch the situation with a view to taking corrective action, if need be at the appropriate time.

I now turn to some modifications in my original proposals relating to direct taxes.

As Hon'ble Members are aware, the Finance Bill now before them seeks to withdraw the exemption from

income-tax on capital gains, arising on transfer of long-term capital assets made after 28th February, 1979. This exemption was hitherto available in cases where the sale proceeds of the capital asset were re-invested within six months in shares, bank deposits, units in the Unit Trust of India or other preferred assets. The withdrawal of this exemption has been assailed on two main grounds. Firstly the flow of investible funds into certain socially desirable form of assets will be adversely affected. Secondly, the consideration for transfer of capital assets may also be under-stated with a view to avoid or minimise the tax on capital gains thus resulting in generation of black money. Having weighed carefully these arguments, in supersession of the original budget proposal, I now propose to continue the tax concession but in a modified form. Capital gains arising on the transfer of capital assets made after 28th February, 1979, will qualify for exemption from income-tax, provided the sale proceeds of such assets are invested within six months in 7 year National Rural Development Bonds proposed to be issued by the Government. These bonds will carry an interest of 7.5 per cent per annum. The rate of interest is, no doubt, lower than that available on bank deposits or unit trusts and this is because I want persons deriving capital gains to make some sacrifice. While persons making capital gains will thus be subject to some sacrifice in terms of relatively lower interest on investment of the sale proceeds of the capital assets, Government will be mobilising additional resources for a cause dear to it. I venture to believe that the modified scheme will thus be beneficial to both the tax payers and Government as also benefit the national economy to the extent it removes an incentive for under-valuation of capital assets and the consequential generation of black money.

I also propose to make another amendment in the scheme of taxation

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of capital gains so as to give effect to one of the recommendations of the Chokshi Committee. Under this amendment, the amount to be invested will be determined with reference to the net sale-proceeds of the capital asset, after deducting the expenditure incurred by the tax payer in connection with the transfer thereof.

The Finance Bill seeks to provide that where the spouse of an individual is a beneficiary under a trust and the trustee joins in any partnership business with the individual, the income accruing to the trust from such partnership, to the extent it is for the benefit of the spouse, will be included in the total income of the individual. A doubt has been expressed that the provision as now ordered may not apply in cases where the income is accumulated for the benefit of the spouse over a specified period and accumulations are thereafter to be paid over to the spouse. Since the intention is that the provision should also cover income accruing to the deferred benefit of the spouse, I propose to make a specific amendment to bring out the intention clearly.

The Finance Bill also seeks to provide that the income arising from the separate property, gifted to the Hindu Undivided Family by a member of the family, will be included in the total income of the donor. This provision is primarily intended to check tax-avoidance by making gifts to the Hindu undivided family. Since the provision is likely to be circumvented by making an indirect gift or by making a transfer of the property by an individual to his Hindu undivided family for less than its fair market value, I propose to extend the scope of this provision to cover all transfers made by an individual to his Hindu undivided family otherwise than for adequate consideration. A similar amendment is also proposed to be made to the corresponding provision contained in clause 23 dealing with the Wealth Tax Act.

Under the Bill, profits and gains

derived by an individual from growing mushrooms under controlled conditions, will be exempt from income-tax up to one-third of such profits and gains, or Rs. 10,000, whichever is higher. My intention was to benefit persons with relatively small resources who take up this activity. Accordingly, I propose to limit the tax concession originally proposed, by providing that profits and gains from growing mushrooms will qualify for exemption only up to one-third of such profits, or Rs. 10,000, whichever is lower.

Hitherto, financial corporations engaged in providing long-term finance for industrial or agricultural development in India, were entitled to a deduction, in computation of their taxable profits, in respect of amounts transferred by them to a special reserve account, up to 40 per cent of the taxable income in the case of State financial corporations and 25 per cent in the case of other financial corporations. The Bill seeks to increase these ceiling limits to a uniform level of 40 per cent in the case of all approved financial corporations. In conformity with the Government policy of encouraging house-building activities, I propose to extend the benefit of this provision to approved public companies formed and registered in India with the main object of providing long-term finance for construction or purchase of residential houses in the country.

Part II of the First Schedule to the Finance Bill prescribes the rates for deduction of income-tax at source in certain cases. This Part, among other things, provides that income-tax will be deductible at source from interest on 'Raghts' debentures issued by widely-held companies at the concessional rate of 10 per cent as against 24 per cent in respect of interest on other securities. I now propose to extend the benefit of deduction of income-tax at source at the concessional rate of 10 per cent to interest on all debentures issued by public companies listed in recognised stock exchanges local autho-

rities, statutory corporations and also to interest on Government securities payable to non-corporate resident taxpayers.

I request the Hon'ble Members to lend their support to the Finance Bill with the modification now proposed.

15 hrs.

MR. CHAIRMAN: Motion moved:

"That the Bill to give effect to the financial proposals of the Central Government for the financial year 1979-80, be taken into consideration."

Mr. Vinayak Prasad Yadav, are you moving your amendment No. 101?

SHRI VINAYAK PRASAD YADAV (Saharsa): I am not moving.

MR. CHAIRMAN: Mr. Venkatasubbiah.

SHRI P. VENKATASUBBIAH (Nandyal): Mr. Chairman, Sir, I am glad the Deputy Finance Minister has moved the Finance Bill with certain concessions. I do not know what will be the financial commitments or consequences that flow from the concessions that he has given today. I am also glad that he is here because today's newspapers carried a report that he was not present at the meeting of the Janata Parliamentary Board yesterday throughout as he was not well.

15.02 hrs.

[SHRIMATI PARVATHI KRISHNAN in the Chair]

Before going into the proposals of the Finance Bill, I would like to bring to the notice of the hon. House a news item that has appeared in the *Patriot* dated 22nd April, 1979:

"Purification of Janata—'defiled' Gandhi Samadhi. Now the Gandhi Samadhi is going to be 'purified'.

A decision to this effect was taken on Saturday at a meeting of the Manav Maha Sabha Trust at Raj Ghat. According to trust General secretary, Inderpal Singh, youngmen and intellectuals participated in the meeting.

Mr. Singh declares that Members of Parliament belonging to the Janata Party, under the leadership of Jayaprakash Narayan, had taken oath at the Samadhi plead to follow the ideals of the Mahatma, but subsequently by not following the ideals, the Janata men have defiled the Samadhi.

To purify the Samadhi, he feels, it must be washed with the holy waters of the Ganga."

Why I am highlighting this news item is because I want to bring it to the notice of the august House that any economic growth or economic development very much depends upon the political stability in this country. The budget that has been presented by the Finance Minister, I feel, is a budget that is retrograde and not conducive to the economic development of the country. The Finance Minister made a statement to the House that the price index has not gone up considerably and that it has been kept in check. Here is a UNI report in the *Patriot* on 22nd April, which states:

"Record rise in price index.

The official wholesale price index for all commodities (base 1970-71) continuing its gallop for the sixth week touched another new peak of 192.4 (provisional) during the week ended 7th April."

The Finance Minister, while giving information said that the price index had not gone up. He has quoted it for the week ending 24th February, 1979. The increase stood at 183 points, but in the subsequent 4 weeks, it has advanced from 3.2 per cent to 119.4 per cent. But the latest report contradicts the statement of the Finance Minister.

[Shri P. Vankatasubbaiah]

Taxes proposed by the hon. Finance Minister presenting the budget are unprecedented and high. Some members of his party have also reminded him in their party meetings that it is just like a Liaqat Ali Khan's budget. But I do not want to go to that extent. I only say that he being the son of a simple farmer has fallen into the trap of the bureaucracy and has taken their baby to himself and which is a tailor made budget by his predecessor and by the bureaucracy and which is intended only to help a certain higher brackets of the society; and he has taken the blame to himself. Any amount of trying to undo the wrong that has been done will not minimise the disastrous effect it is having on the economy of the country.

The deficit has been envisaged as Rs. 114 crores and the indirect taxes have been to the extent of Rs. 660 crores. The amount of certain concession which had been announced just now comes to Rs. 47.6 crores. But it will not minimise the burden. The increase in the railway fare has added additional burden of Rs. 117 crores. Postal rates have gone up to Rs. 28 crores. Compulsory deposit schemes have gone up to Rs. 160 crores. It all goes to show that there has been a deficit of Rs. 3000 crores; and to that extent, I assure, the Nāsik Press will have to work over time to create this sort of inflationary trend in this country.

Another point which I want to bring to the notice of the hon. Finance Minister is that with all these economic measures the growth rate has gone down. I will compare the steady growth that has been attained in the previous years and how during the regime of the present Government whatever economic stability has been maintained is being set at naught.

The industrial growth rate has been down from 9.4 per cent in 1976-77 to 3.9 per cent in 1977-78. According to the Central Statistical Organisation, it appears that in almost all the manufacturing areas the growth rate has come down. Another important disturbing factor is that in all the vital sectors of economy, there has been a shortfall; there has been deficiency. The price of steel has gone up. Cement has become scarce. Coal has become beyond the reach of the common man. But this Government which had inherited a huge foreign exchange reserve and also 18-20 million tonnes of buffer stock of foodgrains, has been indiscriminately squandering the precious foreign exchange by giving wrong priorities. When there is a scarcity of cement, they will say, let us import it. When there is a scarcity of coal, they will say, let us import it or raise its price. And same is the case with coal. The Finance Minister, who is the champion of the cause of the agriculturists, has formulated this budget in such a manner that except one or two inputs, the price of every input that is necessary for the agriculturists has gone up. A few hours back an hon. Member from the ruling party was narrating how the price of steel pipes had gone up and how the agriculturists are being put to great difficulty. I ask the hon. Finance Minister: In what manner have you helped agricultural production in the country by making higher the prices of all essential commodities that go into agricultural production, making them beyond the reach of a common farmer. You may take credit for abolishing excise duty, for reducing the price on fertilisers, chemical fertilisers. But to what extent the concessions that are being given have helped the small and marginal farmers? You have not touched the fringe of the problem. As a matter of fact the condition of agriculturists has become worse; at the harvest time prices crash and foodgrains, sugarcane and other things are sold at distress price by the farmers. How can the condition of the farmers improve in these circumstances?

Having been criticised of harassing middle class, the Finance Minister has condescended to show certain concessions to the urban population; he wanted also to please the womenfolk by reducing the price of certain detergents and laundry soaps. He does not know to what extent the womenfolk have been infuriated by the manner in which the fixed income group people had been affected by the budget proposals.

What is the condition of the public sector projects in this country and what is their performance? Why are they incurring huge losses since this government came into power? The pre-tax profit of the public sector undertakings excluding the National textile corporation has come down to Rs. 476 crores in 1976-77 and to Rs. 236 crores in 1977-78; in 1978-79 we are told that there will be no profits at all. At the same time there has been share division in the Cabinet itself with regard to nationalisation, and also on the working of public sector projects. What is the position of the government with regard to strengthening of public sector projects? Are you going to hand over some of the public sector projects to multinationals? Are you going to surrender to the influence of the multinationals and destroy the concept of the public sector affecting all the public sector projects in this country. I want to know categorically from the hon. Finance Minister. What is the position of coalmines now?

SHRI CHARAN SINGH: The same as we inherited from you.

SHRI P. VENKATASUBBAIAH: That is not the answer that I expected from you. When it suits you, you compare it with the previous Government and when it does not, you say we are inheriting. Even if you have inherited, what steps have you taken to improve? You have said in the Budget that there will be a profitability.

SHRI CHARAN SINGH: It will take time.

SHRI P. VENKATASUBBAIAH: What is the difference? You profess to be a progressive Government! You say that you have taken all the economic measures to improve the lot. What is the technological improvement?

The Prime Minister says that he wants to stop all nuclear explosions for peaceful purposes and he wants to put a stop to the technological advancement that is being carried on in this country. Even the agricultural infrastructure has been made very scientifically all these years. Unless there is technological advancement, we cannot have a major break through in the production of foodgrains in this country. We have reached a peak of 135 million tonnes of foodgrains because of the technological advancement in this country and by announcing, by proclaiming that you do not want any technological advancement in this country, you have created an unhappy situation wherein there will be a complete stop to further progress in the scientific and technological development. As a matter of fact agricultural production as well as economic development are inter-dependent. They must go hand in hand. Unless that is done, the whole economy comes to a stand still and there will be a sort of stagnation in our economy.

The foreign exchange position and also the food production position is there inspite of you. Because of the good monsoon that we had successively, the picture of food production is bright. Even the broad infrastructure, laid over the years that is helping the self-generating economy that has been created all these years, has been responsible for the economic development of this country. That is why I said 'inspite of you' the development is there and I do not think that this Government should come in the way of putting a stop brake to the economic development of this country.

[Shri P. Venkatasubbaiah]

Another important factor which I wanted to bring to the notice of the hon. House is—the Prime Minister said within 10 years unemployment problem will be solved. I want to know to what extent that unemployment problem has been solved. The live register of the employment exchanges show galloping increase in unemployment in this country. In these two years what are the specific proposals, this Government have formulated to solve unemployment problem?

You are bringing Industrialisation Bill and creating an anarchy in the labour front. It has been opposed by all the Opposition parties in this country. You are trying to create a new class by introducing the obnoxious Bill in Parliament. I may warn the Government that this will be resisted by all the people.

There is the problem of energy in West Bengal, Tamil Nadu, etc. All these States face a serious, acute energy problem. Time and again it has been pleaded to form a national group and to take steps to accelerate the production of energy—both thermal and hydro electric to cater to the needs of the people both in the industrial field as well as in the agricultural field. But our position has become still worse. Some States have been starved of this energy and one does not know what is going to happen to several industries in the States especially in West Bengal and other States.

Another problem is with regard to the execution of the Garland canal. The Garland canal which has been envisaged by this Government is now in cold storage. One does not know when it is going to see the light of the day.

Another important thing is with regard to correcting the regional imbalances in this country. What concrete steps has Government taken to correct the regional imbalances?

Coming to my State, there is the problem of acute scarcity of water in certain areas. The scarcity areas should receive water from the important rivers. This is with regard to the diversion of Krishna water to the areas of Rayalaseema. Now there is a proposal to take water from Krishna to Madras city to meet the demands of the people there. Along with that, our plea has been that this water must be used for irrigation purposes. But on one plea or the other, the whole matter is being put in cold storage and no attempt is being made in this regard.

When the proposals are taken in their totality at the time of the presentation of the budget and also at the time of introduction of the Finance Bill, I have no doubt in my mind that this Government is incapable of managing the economic affairs of this country. There is instability in every State—mostly ruled by Janata Party. There is internecine civil war going on. There are communal riots, the last being the holocaust we witnessed in Jamshedpur. There are atrocities on Harijans and weaker sections. This Government has lost its right to govern this country. As Prof. Mavalankar said, the first casualty of this Government is its loss of credibility, its incapacity to rule and utter failure in providing political stability in the country.

SHRI VINODBHAI B. SHETH (Jamnagar): Madam Chairman, the charge is levied on the Finance Minister that this is a rural-oriented, agriculture-biased budget. But the persons who levy the charge are used to the old sort pattern budget. For the first time, the Finance Minister has taxed capital intensive, urban-oriented production and given relief to employment-intensive production in the decentralised sector. The Finance Minister wants to remove the stagnation in the rural sector hitherto neglected by the successive Finance Ministers of the past. Now the emphasis has shifted.

I would like to call it as a progressive Finance Bill. Without injecting a very heavy dose of taxation, a major purpose is served, i.e. to mobilise resources. Today according to my understanding the Finance Minister was over-liberal. He has given many, many concessions. He has accepted one of the basic concessions for which I had brought an amendment—concession in the capital gains tax. I congratulate the Ministry for at least paying attention to the views of the public at large and some Members of Parliament who made some representations. In this connection, I would like to draw attention to a few lines from this book "Making Parliament more effective" sent to me by Mr. Pai:

"If the Parliament is to be effective, it must have sufficient control over the executive. The executive today is not in my opinion sufficiently controlled or guided by the Parliament. As one writer very recently said, it is the executive that legislates with the consent of the Parliament not the Parliament that is legislating with the assistance of the executive."

It will be an unholy day when Members of Parliament feel that their presence is not very effective and whatever they speak, they speak only for the sake of making speeches in Parliament, to be published in newspapers. This Finance Bill is prepared for the first time looking to the needs of 80 per cent of population. I would very rightly conform to the views of the hon. Deputy Prime Minister when he said in his booklet 'Underlying Philosophy of the Budget':

"A clue to the 1979 budget may be found, in some small measure, in this new policy. No democracy can survive in an environment where wealth accumulates and men decay."

The pivot of this new entire new policy is the human being and not the machine. Our Deputy Prime Minister has very rightly brought the objective of Mahatma Gandhi in this booklet and I quote:

"The foremost of these objectives is that the people should be brought into the centre of things—people, not machines."

So, this is really an employment oriented Finance Bill which looks to the needs of 75 to 80 per cent of the population, the voice of whom was never heard. I may personally be affected by the Budget. Even my wife may not like the Budget because we are all urbanites. But as a Member of Parliament taking the objective view, representing 80 per cent of population who elected us, I should welcome this Finance Bill. I agree with him subject to certain constructive suggestions which I would like to give to the hon. Deputy Prime Minister.

The Finance Minister has tried to remove the imbalance and the disparity of income and wealth. A man from the affluent society might be spending Rs. 2000 per day which is more than the average income of a human being in this country. This imbalance is required to be bridged by the Finance Minister. Still there is scope for mobilisation of resources in the country.

Unfortunately, we have handed over major trade and industry to the public sector undertakings with an investment of Rs. 12,800 crores. I think he will agree with me that the result is not satisfactory. I request the Finance Minister to appoint a commission as soon as possible to look into the affairs of the public sector undertakings and also to see that much of the wasteful expenditure is curtailed.

You have not touched the corporate sector. I had some discussion with the corporate sector. They were afraid that now Chaudhari Charan Singh had come, they would be axed. But you have taken a very legitimate view in the interest of the capital formation by not touching this sector. You have done the right thing by enhancing the surcharge on the Corporation Tax. But I do not agree with

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you when you have enhanced the surcharge on income-tax because first, the middle class section will be hit hard by this additional surcharge and secondly, the price index has increased by three to four per cent as you will agree. So, I would request you to withdraw this surcharge upto some limit so that it may not affect the middle class with fixed income.

You have brought many things in the Budget like Food for Work, rural electrification plan, impetus to fertiliser and money allocated to drinking water scheme. I bring to your notice a case which I read in my local newspaper that in a small village named Jamrahal, one bucket of water is sold at Re. 1/-. It means that whatever you allocate, that evaporates. I do not know whether the funds which are allotted to the State Governments, percolate or not. There must be some machinery to look into that.

The most important thing for which I should give congratulation to the hon. Minister is the withdrawal of the levy on unmanufactured tobacco. The tobacco growers are grateful for this. Of course, some of the excise officials did not like it, as I found when I visited Andhra Pradesh, but that cannot be helped.

Then I come to the removal of octroi, which you can do at any time, because the amount involved is not much. After all, this is one of the solemn promises which you made at the time of the elections. Of course, so far as sales-tax is concerned, you cannot do it without the concurrence of the State Governments. At least the octroi can be removed so that there is some satisfaction in the business community.

So far as small-scale industries are concerned, you have given very good concessions and I am happy. But I would request you to stick to them. But they are being exploited by the big multi-nationals by splitting their units. No less a person than Shri J. H. Doshi of the All India Shippers'

Council has written to Shri H. M. Patel, the then Finance Minister, and he has promised to look into the matter. There should be some vigilance in the matter because some big business houses are splitting and thus depriving the State of its legitimate dues. So, the loss will be much more than Rs. 27 crores which we have anticipated in the budget.

Coming to direct and indirect taxation proposals, some of the provisions or their implications are not properly understood by the implementing authorities. Even a small mistake made by a Section Officer or Deputy Secretary in the preparation of the notification leads to a lot of confusion and inconvenience. I have come across many such cases in the matter of the small scale industries. For instance, there is a clear undertaking that zinc ash is not liable to countervailing duty. Yet, it is not being exempted from duty. I fail to understand this. Either you please convince me or withdraw the duty. In spite of the clear order from the Customs Collector that zinc ash is not subject to countervailing duty, they are levying it. The result is that many units in the small scale sector have suffered huge losses. This is a matter where promissory estoppel comes into the picture. Since the Minister is a lawyer, I will refer to him the case of Motilal Padampat Sugar Mills Private Ltd. Vs. the State of Uttar Pradesh, in which this matter has been finally settled on 12-8-78 by the judgment of Justice Bhagwati. When you give a promise to the public, you have to fulfil it, rather than trying to protect the officers. There are many such cases. I would request the Minister to go into them.

Section 64-E you have amended. There was a loophole in section 64 that the income is accumulated till the spouse is Akhand Soubhagyawati or the child has attained majority. I was afraid that because of the loophole some trouble may arise to the income accumulated. It is good that you have taken care in amending this.

Then I come to the restoration of Section 35-B, which is welcome. When Shri Venkatasubbaiah spoke, since he did not refer to this, I take it that the opposition agrees to it. The main purpose of the restoration of section 35-B is to have more and more foreign exchange. The industries covered are hotels and travel agencies, which are earning foreign exchange right on the table by providing services and facilities. I feel that this should be incorporated in the law.

You have made the Commissioner of Income-tax as the "prescribed authority" under section 35-CC. I am very thankful to you for that. There are so many charitable institutions which would like to give something, but because of the cobweb of official machinery and red-tapism the purpose is not served. I am thankful you have accepted my amendment in this respect.

Coming to long term savings, the provision relating to rebate on insurance premium is not a step in the right direction. In fact, we were looking forward for some concessions, because LIC represents long-term savings. It is also an anti-inflationary measure. So, the proposed change, which will reduce the tax rebate, will act as a great deterrent to mobilisation of long-term savings, and the confidence of the people will be affected. It is true that you may get a sum of Rs. 9.6 crores....but lose the savings of hundreds of crores of rupees. So, you think over the matter. There are so many amendments, I think you will continue the *status quo*. What you have done is contrary to the recommendations of the Choksi Committee in their Report. The Choksi Committee wanted to continue the concession.

Then, according to Section 80(J), 7-1/2 per cent of the capital employed is liable to get some sort of exemption or concession. It is a nice thing you have done. But you have withdrawn this without giving sufficient notice of two years to the non-priority industry. So, I would like you to continue

this concession for two years so that the industries who want to avail of this concession can reconsider the proposal of establishing this industry.

Regarding Section 80(JJ-A), I do not understand why the mushroom growers have been singled out. About the perfume I can understand. As you explained, there are many other growers who can avail of this benefit.

Section 208 reduced the limit of payment of advance tax to firms from Rs. 30,000 to Rs. 20,000. Now the rupee is devalued. While the value of the rupee is coming down, instead of making it Rs. 40,000 or Rs. 50,000, you have reduced it to Rs. 20,000.

SHRI CHARAN SINGH: We are thinking of reducing it to Rs. 10 lakhs.

SHRI VINODBHAI B. SHETH: Not Rs. 10 lakhs. This is about the payment of advance tax to firms. This will create complex problems even to the administration.

SHRI R. VENKATARAMAN (Madras South): Partnership tax.

SHRI VINODBHAI B. SHETH: Yes, partnership tax.

SHRI KANWARLAL GUPTA (Delhi Sadar): Rs. 10,000 is exempt in the case of one individual.

MR. CHAIRMAN: Mr. Kanwarlal Gupta, Mr. Sheth will clarify what he is saying.

SHRI VINODBHAI B. SHETH: This is Section 208 of the Income-Tax Act in which the limit for the advance payment to the firm is Rs. 30,000, which you have reduced to Rs. 20,000. This will increase the work of the Income-Tax Department. Now, you make it Rs. 40,000 or Rs. 50,000 instead of Rs. 20,000.

Similarly, Section 209A is amended and it is a very welcome suggestion.

Section 245D restricts the powers of the Commissioner and gives more

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powers to the Settlement Commissioner to call for the file. In this connection I have one suggestion to make. When the cases of either Customs or Central Excise or Income-tax are *sub judice*, there are thousands of files in the High Courts and in the Supreme Court. Sir, cases of *sub judice* should not be set apart. When you come to a compromise, the workload of the Government and the judiciary will be reduced. So, I think this suggestion should be taken in a proper perspective. When there is a Settlement Commissioner for Income-Tax and Wealth Tax, why not for Estate Duty? Because Estate Duty is a very high charge and those persons who inherit are almost finished in their life-time. So, I request you to kindly consider this matter also.

In giving impetus to the small-scale industry sometimes we are helping multinationals. I will give you one example. You have reduced the import duty on life-saving drugs from 75 per cent to 25 per cent. It looks very fine. In this connection I would like to know whether the consumer will get the reduced price benefit because these items are manufactured by big companies. Now I will give you the example. There is a drug called "8-Hydroxy quinoline". This item is manufactured for the first time. It is of indigenous nature. About 11 factories have started producing it in the country on a small-scale. They are making headway and before they make the headway, the head is chopped off. So, I think it is not our intention. I think you will re-consider the point as to which are the small manufacturers giving their small items to the big industries. So, some re-thinking in this matter is necessary.

The ITO's powers should be curtailed. Section 132 is a dangerous one. I think sometimes they are misusing these powers. I have brought some cases to the notice of the Finance Ministry. We have got very great regard and respect for them. Our intention is to collect revenue, to see

that black money is not generated, but on small pretexts houses are raided, and it creates a flutter in the entire family.

Some concession in excise duty has been given to the match industry, and this will be welcomed throughout the country.

Some friends have drawn attention to the fact that unless we have family planning, what we propose the unborn children will dispose of.

Political stability is a necessary, to which all hon. Members should subscribe.

While giving all support to the Finance Bill, I would once again request you to look into certain things. There are no personal considerations in this. For example, in Bombay big houses have to pay *pugree* to the tune of Rs. 4 to Rs. 5 lakhs for 1000 sq. ft. of accommodation. Can you control them? If you want to purchase a house, you have to pay 40 per cent in black money. I was personally cross-examined four or five months back for depositing Rs. 5050 in June 1970 in the name of my wife. I am a law-abiding citizen. I must appear before the department and I must obey the orders of the officers, but see how the big persons can get away with holding black money which is generated. I congratulate Mr. Dharia. He has streamlined the import export licensing system. It will help reduce the generation of black money.

It is not correct to say that you have enhanced the total income-tax structure only up to 72 per cent, because if you take over Rs. 10 lakhs, it is more than 87 per cent. So, try to reduce the tax, try to see that the taxpayer are honest. Let us not doubt their *bona fides*. Unless they are caught, let us presume they are honest. With this presumption we have to go ahead.

In regard to the Choksi Committee's Report, we are picking up only those points which are favourable to the

department. What is beneficial to the taxpayer is thrown away. This is the tendency. So, I would request you to be judicious with the people who have sent you to power, for ultimately power rests with the people, not with us. We are temporary persons, the people and the bureaucracy are permanent to some extent. So, let what a Member of Parliament says be implemented partly, if not fully. If you cannot implement it, kindly try to explain to us why it cannot be implemented.

Mr. Chairman, I am thankful to you for giving me sufficient opportunity to express my views.

MR. CHAIRMAN: I am thankful to you for being brief.

SHRI YADVENDRA DUTT (Jaunpur): I fully support the Finance Bill as presented by the Finance Minister, but as a citizen and as a Member of Parliament, it is my duty to draw attention to certain facts which, in the jugglery of statistics, are lost sight of, as the statistics do not tally with what is actually happening in the market or in the rural and urban sectors of our public life.

Have we divided our country so much? I am tired of hearing—forward, backward, caste, religion and now urban and rural. Are they not parts of this nation?

For the rural people, for especially the rural rich....

SHRI P. RAJAGOPAL NAIDU (Chittoor): Who are the rural rich?

SHRI YADVENDRA DUTT: You are one of them. (Interruptions)

SHRI P. RAJAGOPAL NAIDU: You are a Raja.

SHRI YADVENDRA DUTT: Yes. I am proud of that. But there are certain bigger people who are black-marketeers and they are the new Maharajas.....

MR. CHAIRMAN: Try not to get derailed.

SHRI YADVENDRA DUTT: Madam, I am a hunter. I can hit them.

There is no special virtue in taking birth in rural areas and no sin in taking birth in urban areas. Birth is not in our hands. I wonder, why we should divide our country horizontally and vertically. I was amazed at the Finance Minister's insistence on levying the duty on kerosene oil. The last argument that I heard for this is that kerosene is being used as a mixture for high-speed diesel oil. May I stretch this argument a little more logically? There are so many things where adulteration is there. Water is being mixed with milk. May I ask our Minister of State in the Ministry of Finance whether he will tax water to the extent that the price of water becomes higher than that of milk? That is not the reason. After all, who are the people who use kerosene? Neither the new maharajas or men like myself..

SHRI P. RAJAGOPAL NAIDU: You are the new maharaja.

SHRI YADVENDRA DUTT: Don't force me to disclose the story of everybody here.... (Interruptions)

Who use kerosene oil? The Secretaries of this great Government do not use kerosene. (Interruptions)

MR. CHAIRMAN: I would request the hon. members to desist from running commentary.

SHRI YADVENDRA DUTT: I am not worried about that. I can take care of myself.

Kerosene is being used by 46 to 50 per cent of the population which is below the poverty line. Whom are you taxing, hitting? On the one hand, the Janata Government says that we stand for the weaker sections and

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on the other hand, we are hitting the weaker sections. Is it fair and proper? So, with all the force at my command, I will beg of the Finance Minister to reconsider the duty on kerosene.

May I tell you one thing more? Here we are told that duty is only this much and that the price will go up by 1 per cent, 2 per cent or three per cent. From my knowledge about the price in Jaunpur, kerosene is being sold at Rs. 4 a litre. What is the reason for this difference? There must be some incompetence, some loophole somewhere. Whatever may be the talk about the percentages of increase in prices, I think, it is not less than 30 per cent. I am very happy that he has reduced the duty on soap. May I tell you what happened exactly after the Budget was announced? You have reduced the duty on soap, today. But there has been a time lag of three weeks, during which period, the consumer was being fleeced with higher price. Are you in a position to get that money back to the consumer? If not, I am sorry, you should have taken the steps much earlier to see that this fleecing during the time lag had not been there. Therefore, I hope the Finance Minister will give serious thought, to this matter.

We have been told that this Budget has made a special thrust towards rural areas. I am very happy. We have got about 20 million tonnes of foodgrains in our stock and about 5000 crores of foreign exchange. We happen to be very rich. But has this richness been reflecting in the rise of purchasing power of 46—50 per cent of the people who are living below the poverty line. If not, then the thrust of the Budget is not towards socialist equality, egalitarianism. It is only in name socialist equality, egalitarianism. A certain class is being fed by this Budget. A certain bias, a certain prejudice, has

been brought against a certain class living in the urban areas. Urban areas do not have all the rich. As you know, Madam, from your own experience, the rich farmers of the rural areas of punjab have a much higher income than the urban lower middle-class workers in Madras or in Kerala or in Karnataka.

An Hon. Member: How many they are:

SHRI YADVENDRA DUTT: They are a very big number.

Therefore, I would like to say that the thrust should be equal. I am glad that the thrust is towards agriculture. But may I remind the Finance Minister that agriculture alone will not lead to a nation's rise? There must be an equal thrust on agriculture and industry and modern technology. Look at America. Agriculturally and industrially, it is a very advanced country. Look at Russia, my friends' heavy industrially, it is a very advanced country but agriculturally, it is not. It has to buy wheat from outside. After 50 years of State capitalism, they have failed. So, I suggest that industrial and agricultural advancement must be coupled together. The thrust should be in that way. The thrust should be for the weaker sections of the population, for the 46—50 per cent who are living below the poverty line.

Now, I come to another point in regard to the weaknesses which I personally feel in the Budget. Look at the direct taxation. I have certain figures. I will not go into details. But I would like to enlighten the House. India continues to be among the highest direct taxed nations in the world. With an income around Rs. 50,000 a year, an Indian pays Rs. 11,850 in personal income tax; a Britisher with the same income pays Rs. 7200, an American Rs. 4950 and a Japanese Rs. 850 only. We are the

poorest nation of income-tax payers among these nations. And yet we are very highly taxed.

What is the result of the direct taxation? This results in black money and tax evasion. With all this high taxation and high income-tax, I feel and I am frightened that there may be a tax evasion to the tune of Rs. 400—500 crores. What happens? A parallel black economy may develop and the entire thrust, with the good intentions of the Budget, may be in danger. That is a point which my hon. friend the Finance Minister should look into. Don't have a method of taxation, direct or indirect which will lead to black money or tax evasion.

It is a joke going round, like the Frenchmen, we are the masters of tax-evasion, everybody keeping four or five or six *Bahis* and so on and so forth. Why? Because of the high incidence of taxation which, I said, is fleeing and, add to all this indirect taxation, what picture emerges from this whole thing, a very dangerous picture, a black money economy springing up in combination with high inflation. It may lead to industrial unrest; it may lead to consumer unrest and to increase of social and political tensions in this country. All my friends have been saying—and I agree with them—that for the development of a nation, political stability is essential. Does this budget contribute to that aspect? I am afraid the tone and the time of the taxation—I hope I will be proved wrong—may lead to inflation, inflation leading to social and economic tensions and the tensions and higher tensions leading to instability, particularly political instability of the country.

Resources have to be created in this country, it is true. So may I suggest to the Finance Department certain spots from where they can get resources. Lakhs of shares are traded in the stock-market every day. Why don't you tax these shares

speculators? You may have stamp duty for transfer of shares, but you have no direct taxes for transfer of shares or sale of shares. This is a spot you should look into and I am sure that if a speculator can spend lakhs of rupees in buying shares, he can give you at least 15 per cent duty directly, on the proceeds of the sale or purchase of shares.

The second point to which I would like to draw the attention of the Hon. Minister of State for Finance is about the CDS. Whom does it affect? It is the lower middle-class, the worker, the common man in the fixed income-group who is affected whereas I am afraid the petty trader in the village to the biggest capitalist has the biggest capital in this country. This is a huge item known as 'Dharmada' but this 'Dharmada' is not utilised. I regret to say that the amount taken out of the 'Dharmada' is again re-invested in different ways, while it goes tax-free or scot-free in the name of religion. Why not have this money put in the compulsory Deposit Scheme? You can get crores, if you care to.

Another point I want to suggest is that every company, public or private, has crores of rupees in undistributed dividends, whereas these undistributed profits go free. These are 'benami' shares which are not paid. It is carried over in the company's account and is utilised by the company for its own purpose. Therefore, I would request the Minister of State to have a check on every company and see the amount of undistributed profits lying with them. Why not tax them to the tune of 98 or 99 per cent. There is no harm in that. I am sure that if you do that, you will have a bigger source of income in your hands.

I want to draw attention, of the entire House, to one particular fact. Our neighbour has been developing nuclear weapons and has been buy-

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ing uranium—highly enriched uranium which is suitable for atomic bombs. So our security may be in danger. The Finance Minister and the State Minister of Finance will have to bear this in mind. Supposing by October or November a nuclear weapon is exploded by Pakistan, you will have to look out for your security and develop an equal weapon. You must keep that in mind and, instead of being very proud that we are spending 3.5 per cent on our national defence, you should be prepared to go up to 10 per cent if need be, because security is essential. And we are encircled by nuclear powers....

MR. CHAIRMAN: You have made this point. Please conclude now.

SHRI YADVENDRA DUTT: We are encircled by nuclear powers. While, on the one hand, the Americans have Diego Garcia....

MR. CHAIRMAN: Please conclude.

SHRI YADVENDRA DUTT: Therefore, we should be prepared for everything.

SHRI T. A. PAI (Udipi): I congratulate hon. Member, Shri Yadvendra Dutt, on many of the suggestions that he has made. I am inclined to agree with the many viewpoints he has expressed. It only shows that the ruling Party has still some people who can think and who are able to express themselves very clearly, whether it pleases the party bosses or not.

May I suggest this, in addition to the many suggestions he has given? It has been customary in this country to collect money for presenting large purses to politicians. Most of that is tax-avoided money. Why should it not be subjected to their maximum tax? This has become serious because the amounts collected are not

small; they are very big amounts. Ultimately every rupee that is collected by hard work is required to be taxed and is taxed. When that is so, if the money which is collected without any effort is to avoid tax, it would not be very fair.

I have been listening to the speech of the Finance Minister introducing his Bill. While it is quite legitimate that he might amend many of the suggestions that he made during the debate, I am surprised how he can include new proposals for taxation or how basic changes can be brought about in the taxation measures. I think it has been absolutely unusual, and I do not think that it is appropriate to do it.

The Economic Survey for 1978-79 says:

"...Contributions from the public sector enterprises and savings of Government on revenue are supposed to provide a sizable proportion of the finance required. The performance of the public sector enterprise last year gives room for doubt about their ability to fulfil all expectations held about them. Similarly, overruling non-development expenditures on account of interest subsidies, advance expenditure, etc., seem to make it difficult to meet the savings targets. Although economy in expenditure is everybody's objective, enough good reasons can always be mustered why this objective is to be given up. The brunt of resource mobilisation, therefore, has to fall on additional taxation."

If this nation perpetuates low productivity and extravagance in government expenditure in the name of development, the only alternative seems to be for the people of this country to continue to groan under heavy taxation.

You may mobilise any amount of money, but the people of this coun-

try have a right to know how it is being spent. After all, we are fooling the people of this country. I am not accusing this Government or the other Government. We should look into what has been happening to our economy, how far the money that we have collected is going for investment, how far it is going to create more employment, not of government servants but outside the government sector. We have created a situation where seven out of ten persons employed today are almost in government service, and this could not possibly be a healthy development. We have got to see where things have gone wrong. If this Government has the courage to look into where exactly the failures have been and try to set them right, then even additional taxation is not necessary.

You may recall, presenting the Budget for 1977-78 Mr. H. M. Patel proclaimed to this House that there was going to be a saving of Rs. 130 crores, and as usual, the members of the Janata Party applauded it. He could have been hauled up before the House and told that he had misled the House because the next year that did not happen, Rs. 130 crores were not saved. After all, when you make a promise, are you able to keep it up?

Last time, talking on the Budget, I said: "Can't you save one per cent of Rs. 1,800 crores? There could be a saving of Rs. 180 crores". Now we are higgling and haggling over small taxation.

Take the case of taxation on small scale industries. Most of these are ancillaries. They are automobile ancillaries. A few people may realise that it take 4,000 parts to make a car. All these 4000 parts come from various small scale ancillaries. If all of them are to be taxed and ultimately taxation on taxation, what will happen? L. K. Jha's Committee was appointed to look into this specific problem. And they have pointed out that this is a ridiculous

situation and that we must now try to simplify. Now what do we do? My friend, Mr. Subramaniam, introduced this tax of 1 per cent. I protested to him and I said, 'this is going to cause a lot of harassment.' He put forward the official viewpoint that it is for collecting statistics. Now what has happened? Last year Mr. Patel found it convenient to raise it to 5 per cent. Now the present Finance Minister says 8 per cent. And the beautiful argument that he placed before the House is that he is convinced that the taxation measure that he has proposed is better than what was in existence. Now from the point of small scale industries, I cannot reconcile myself to it. If it is so much better, why is the government collecting Rs. 100 crores? It is not giving anything back to the small-scale industrialist. If they want to collect Rs. 100 crores, they should be honest to say, 'We do not want to lose money.' It is not a question of losing or earning money. What exactly is the total damage that you do to the economy? Are you able to achieve what you want to achieve? Ever since the tax is imposed, it has brought about a paralysis in the small scale industries. Do you know the harassment the small scale industrialists are subjected to? How many of them know the excise law? I am told that the Department is now re-opening cases for four years and the small people are made to suffer. They are not able to maintain a large staff to give all the information that is required. Even the officers who deal with them would not know it because we believe in making such intelligent laws that we ourselves are not able to understand what we want.

Therefore, apart from that, since taxation was announced, the MMTC has raised the copper price by Rs. 5000. The Steel Minister comes here and says, 'I am increasing the surcharge by 15 per cent. Now it is 8 per cent and on that 15 per cent and on that Sales Tax will also be add-

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ed. Will it not have a cascading effect? Do you think that if you keep the prices of foodgrains low, the economy can sustain? You are making a serious mistake. The Government is directly responsible for price increase in the last few days. You are not able to control that. In fact, I am afraid you are losing the grip over the prices. What is your answer? Credit squeeze. I must tell you. Out of the money that the banking system has collected, Rs. 2500 crores is sick because they are on sick industries and then 30 per cent of the advances are given for agriculture which you cannot recall. Then 12 to 15 per cent of your money is given to the Food Corporation for holding foodgrains and for the last four years, whereas in the past the government was responsible for providing the working capital requirements to the public sector—when we were in charge we might have made that mistake of shifting it to the banking sector but you are now continuing it in a big way—so another 15 per cent go to the public sector and the private sector is left with only 30 per cent for big industries, small industries and everybody. What is this credit squeeze? It is as meaningless as your 10 per cent cut in government expenditure across the board. Have you got a strategy of credit management? You should deny credit to certain activities which are totally irrelevant. In the case of others you may have to provide more than what is enjoyed by them now so that your production targets may be reached.

There is no answer to inflation except production. I think short of production your public distribution will be a farce. Public distribution and credit squeeze are not an answer to inflation. In fact, I think we are persisting in outmoded theories in this country. If you realise that there is a large amount of money outside the banking system—I am not talking of black money—there are two

types of money in this country. One is which is taxed and another is that which is not taxed. May be agricultural income comes under that. But the resources outside the banking system to-day can play a great damage with reference to your control. My own hunch to-day is that, if foodgrains are produced in large-scale, they will be unloaded also. And the FCI will have to take the burden on itself of purchasing a much larger amount of foodgrains this year than in the past. That means, the people of India will have to provide a much larger subsidy. But, when there are larger stocks of foodgrains, people would not hoard foodgrains. They would hoard sugar, they would hoard cement; they would hoard steel also. Certainly, this money will find its way in trying to control such commodities.

Madam, unfortunately or fortunately, the best of brains of Mother India's sons are either in Industry or in trade whether you like it or not. All the economists put together will not be able to match their intelligence. They keep a very close watch over Government policies long before you make up your mind. Are we incapable of giving our own reaction to the situation that is developing? How long will we take to react? We have not built up the mechanism. Even the advanced country, like the United States, with the topmost or best economists in the world, they are not able to control their inflation. Why? Because, the countries are no longer insulated; the world is becoming small. There are Euro-dollars outside America; there are petro-dollars coming from the sale of petrol. The normal credit instruments would have no effect on these situations. What is necessary is to have a mechanism which is pragmatic enough to react to the situation quickly. Then only, you will be able to control the situation. You should not wait till the next budget to see what should be done. So, what I am saying is we cannot

control the prices by a credit squeeze, the prices must be subjected to fiscal manipulations. You know that to-day it is no longer a question of managing the general price level; we must also try to have a mechanism developed and thereby you keep a watch over every commodity—industrial product—or agricultural product—and try to see that we have more or less a stabilisation of that price-level by appropriate fiscal measure. Even if excise reduction is necessary, we should not feel that we are losing income. This is a theory. Shri Dhar during the discussion on the Fifth Five Year Plan in the Rajya Sabha, when asked when the prices were going up did he not think that the Plan targets would not be fulfilled, said that the plan targets on investments would be fulfilled on account of increasing prices. Surprisingly enough, the economists of the Planning Commission told him that. And he said: 'well, if the prices go up, it would be possible for us to mobilise more resources and our plan could be fulfilled'.

Precisely, the Government has vested interest in increasing the prices unconsciously and it thinks that the higher the prices, greater will be the income of the Government.

Madam, I have not been able to understand one thing still. My successor, Mr. George Fernandes and this Government have been claiming an eight per cent industrial growth rate. I wish it is 8 per cent; I wish it is 10 per cent; I also wish that it is better than what we had. But, I am not able to reconcile why is it that Government is collecting less excise this year than budgeted and why is it that the excise expectations are going down. Now on most of the commodities there is excise duty. If there is a larger production, we would have expected a larger out-turn of excise and perhaps, larger income-tax and larger corporate taxes. Please look into this. How can you reconcile this? Last time, I

was told when I raised the question of public debt, that I must be taught elementary economics. I am prepared to learn. It is only the man who is willing to learn is capable of teaching also. These people are unwilling to learn and, it is those who do not understand what it is are unwilling to learn. My point is this. Certainly you go into the public debt. Public Debt of India comes from the L.I.C., from the Banking system and from the savings of the community through provident funds; the people of this country have a right to get a proper reward for those savings. Therefore, I plead for the higher return on their savings because we are having inflation in this country. These are the savings of the middle-class people, I have been told. What can we do? Government does not get a proper return for the investment. Is this the fault of the citizens of India if there is no proper return on those investments made by Government? Why should not Government learn to see that proper returns are received. If you do not get a proper return, your children and grand children will have to bear the burden and the present generation will have to bear the interest burden.

This brings me to a crucial question. Take any public sector project. What time does it take between the Planning Commission and the government decision? The period that lapses is so considerable that if the cost gets escalated who is responsible for it. From the day the decision is taken by the government from the point of view of starting and upto completion of the project how long do we take. If a steel plant in Japan can be completed in thirty-six months why should Indians be proud to say that we cannot complete it even for ten years because after all we are going to achieve much less result with much larger investments only because we are incapable of changing our system of decision making. Then there is the third stage of

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utilisation. How long do we take to get the maximum out of the installed capacity? Unless we are prepared to remove these inefficiencies—and these are national inefficiencies—I do not understand why we are claiming to have the best of engineers and scientists? Is it not a matter of disgrace to this country that our own trained people are unable to get the best of the installed capacity in electricity? Now, take the irrigation schemes. We are taking pleasure in starting an irrigation scheme but we do not get a thrill to see that it gets completed and the farmer is able to make use of it.

Madam Chairman, the basic cause of inflation in this country is the half-finished jobs. We have greater thrill in starting new schemes but no thrill in completing the existing ones. These are some of the inefficiencies, which I would like to be looked into.

Now, there are many things. Export has got to be encouraged. You are now very happy that lot of money is coming but I would like to know while you have been keeping this money in USA and getting 4-1/2 per cent, why is it that the loans for shipping which India has borrowed, guaranteed by the Government of India, carry an interest rate of 8 to 12 per cent. Why are they not being repaid because somebody has no time to take the decision. I would like you to look into it.

Madam Chairman, I will now say a few words about non-resident Indians. Once you decried the brain drain. Now we are having not only brain drain but also brawn drain. Brains have been going to developed world and brawns are going to developing world. It is not on account of our efforts but more to because the brains will not be used in this country, they will be drained. Now, having exported them, they have been remitting money and we are enjoying the same by saying that we are having a comfortable foreign exchange balance. Madam Chairman,

it is the cheapest foreign exchange that we get. But how do you treat these Indians? Why should not a non-resident Indian be able to buy a house in India? The rules and regulation that you make and the treatment that you give to him makes him feel as if he is a first-class criminal who has escaped abroad and those who remain here are patriots. I would like the government to look into this matter. Let us be sensible. We are a responsible society and we should look after all these problems and, in my opinion, the total resources of the non-resident Indians are ten times the total resources of the Government of India. We should be very happy that they have done extremely well. We should be proud of them wherever they are and if our brains are used anywhere in the world we should feel happy as India has pleaded for world citizenship. There are plenty of opportunities. Take, for example, printing industry. Hong Kong and Japan are losing their advantages on account of high wages. This industry can be started anywhere. I had developed a Printing Council at that time to give encouragement. Suddenly I find this. For importing printing machinery, the duty has been raised from 10 to 51 per cent. I would request the hon. Minister to look into it. I do not mind if corresponding machines are made by the HMT here. You certainly have a high taxation to protect this industry. But there are machines which are not made, which are needed for our development and I do not think it would be logical not to go in for them.

Then I would like to plead for the exemption of his duty on hooka tobacco. Hooka is used by the poorest people. Why do you have this sadism in taxing very small, small things? There is one thing on which I congratulate hon. Shri Charan Singh ji. He has imposed taxes on everything. For the first time the people have started thinking. Before that, they thought, taxes meant that somebody else was

being taxed. Now, once they all have been taxed, the next stage is for us to educate the people: Is it right that the money to be collected from you is to be wasted? Cannot the money be better utilised in order to achieve what we want? We have no objection to your collecting the taxes. You call upon the people of India to make any sacrifice. But don't see that a few people enjoy all the benefits of them. These benefits must accrue to all. Otherwise we are only going to make the country poorer and poorer and the problems that you will have to face will be much bigger and bigger. Now, the point is this. It is not because we want to hurt the urban people; it is not because we want to hurt the children in the children's year. The point is that we have reached the limits of taxation of this country and there is no commodity which is left which can be taxed by a future Finance Minister. You should not be surprised at the way things are going, if one of these days, the Finance Minister comes before the country and says, in order to raise resources, I will have to impose a tax on hair-cut! Why not? From products, you go into services. These are bright ideas which can be pursued. You can calculate the number of people, the number of heads, and calculate, if you charge eight annas, what would be the revenue. This is the way it is collected. But let us be practical. This is a society where taxes can be used only for building up. One of the most important concerns in our development is this. Madam, when I went abroad, I found that development and high prices go together. My own feeling is this. In a country like ours, development and high prices cannot go together. We must try to see that we stabilise the prices, to see that they are remaining as low as possible. And then only development would be possible. We will have to use our resources much more effectively than what a developed country does. America can afford to wait. But we cannot. So, these are a few things which I would like you to consider.

Regarding imposition of surcharge, well, why did you not straightway increase the income-tax? What was wrong.

SHRI R. VENKATARAMAN: It will go to the States.

SHRI T. A. PAI: Now? I say, this is a fraud on the States. The surcharge that you collect will not be passed on to the States. If you had raised the tax straightway, you would have to part with it. Now, we have been getting complaints that people are trying to find out ways and means, to avoid taxes. Should the Central Government set the example, by resorting to these sorts of measures, where it can avoid payment to the States? It would be a very bad example and I think we should not support it.

Well, one more thing. A suggestion has come—and one of the important suggestions at that—saying that we should have a commission to look into Government expenditure. There was a committee appointed in the U.S. to look into the problem of prohibition. Whenever the committee members were non-drinkers they always said, it is a wonderful success. But when the members were all drinkers, they said, it is a total failure. Now, this is the type of thing that will happen in this country, if it consists of non-officials. The departments will not give the information to them and they will not be effective. Suppose it is consisting of only officers. I will not be surprised if they come out with a report like this. In America they are spending 30 per cent of the gross national income; we have not yet reached that stage, and therefore it is justified, that out expenditure can increase. So, if the Government is really sincere, my request to the hon. Finance Minister is this: Let him begin with his department first, let him begin with the Planning Commission; let him not wait for a report. I say this because a Commission is considered in this country to have to be set up to avoid responsibility. Why not act now? Why do you wait for day-after-to-

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tomorrow? Have you got to consult anybody in this matter? You have to apply your mind. If you apply your mind, it will be possible for you to effect economy. Unless you apply your mind, you are not going to achieve the result. All Committees' reports have no meaning in this country. You have to be serious. Why I am telling you this is this. Next year the deficit in this country should not be increased on account of the expenditure on another Commission which would not achieve anything. I would, therefore, say for Heaven's sake, look into your expenditure, bring it down and avoid deficit. You have no means. Now, you are pushing this economy by accelerating it and at the same time you are applying your brake also with the result the whole vehicle may overtime and the economy may suffer.

बी संबरनाथ गुप्त (वित्तीय सचिव) : सभापति महोदय, जो प्राय रिलीफ मंत्री महोदय ने की है और उससे पहले कुछ बोझ रिलीफ दिया था, मैं समझता हूँ कि वह बहुत माजिनल था। लेकिन बजट का जितना बोझ प्राय जनता पर है वह जनप्रीसीडेंट है। इसलिये अगर उस बोझ को कम करना है तो माजिनल रिलीफ—marginal relief here and there will not do. There should be a substantial relief. Unless that is there, there won't be anything.

जनता पार्टी का सबसे बड़ा कारनामा यह है कि दो वर्ष तक हमने प्राइसेज को कंट्रोल करके रखा जब कि प्राइसेज पहली सरकार के समय में तेजी से आगे बढ़ रही थीं। परन्तु यह साल एक फिटिकब ईयर है, कुचब ईयर है इस देश के लिए। इसलिये कि हमारी वार्षिक स्थिति क्या है? 1,000 करोड़ ६० का ऐकवर्स बैलेंस आफ ट्रेज है। हमारा इम्प्लॉई ज्यारा है और ऐकवपोर्ट कम है। मैक्सिमम हमने इस साल टैक्स लगाये हैं। आपको ताज्जुब होना कि सातवीं योजना में जितने टैक्सेज लगने चाहिये वे पांच साल में, दो साल में उसका 75 परसेंट हन गया चुके हैं। इस साल में और पिछले साल में 75 परसेंट सारी प्लान को फालरेडी टैक्स लग चुका है; इसके प्रतिरिक्त डेफिसिट ग्राइमेंसिंग है 1,350 करोड़। यह सब मिला कर एक स्थिति ऐसी आ गई है कि आज देश इकोनामिक दृष्टि से एक फिटिकल स्थिति में से जा रहा है, किमर्त वीडू रही है, और तेजी से बढ़ रही है। हमारे मंत्री भी कहते हैं कि 1 परसेंट बढ़ी होगी। उनका अपना कैलकुलेशन हो सकता है। लेकिन जो कंज्यूमर आइटम्स हैं, रिटेल में उनके बाव 5 से लेकर 30

परसेंट तक बढ़े हैं। कम नहीं, नहीं तो मैं कोट कर सकता हूँ, एक नहीं बहुत। उसके बीच, बार कारण है, कुछ तो बजट की वजह से बढ़े हैं, कुछ इंटरनेशनल प्राइसेज बढ़ी हैं, जैसे तेल के अन्दर और कोपर में इंटरनेशनल प्राइसेज बढ़ी हैं। लेकिन उसमें निश्चित बात यह है कि जो इंटरनेशनल प्राइसेज बढ़ती हैं उसमें एस० टी० सी० अपना प्रोफिटिबिलिटी और करती है। जैसे जो तेल आपकी मिलता है और प्राय वनस्पति वालों को तेल देते हैं उसमें एस० टी० सी० 400 ६० पर टन मन्ना कमाती है। सरकार की एजेन्सी भी प्रोफिटिबिलिटी करती उसके बाव मैनुफैक्चरर्स और ट्रेडर्स भी प्रोफिटिबिलिटी कर रहे हैं। थूक से लेकर आखिर तक प्रोफिटिबिलिटी हो रहा है और कंज्यूमर पिस रहा है।

दुर्भाग्य है कि हमारी इकोनामिक मिनिस्ट्री में जितना कोम्पाइनेशन होना चाहिये वह नहीं है। कोयले वाले कहते हैं कि रेल नहीं है, रेल वाले कह रहे हैं कि कोयला नहीं है और वीसरा मंत्रालय कहता है कि स्टील नहीं है क्योंकि कोल नहीं है और वह कहानी चल रही है, बार पांच मिनिस्ट्री में अभी तक तय नहीं कर पाये हैं कि यह गुन्धी क्यों है। मैं चाहूँगा सरकार इस गुन्धी को जल्दी से जल्दी सुलझा ले, और हमारी इकोनामि मिनिस्ट्री में ज्यादा से ज्यादा कोम्पाइनेशन हो जिससे प्राइसेज पर भी कंट्रोल हो और प्रोडक्शन भी बढ़े।

एक तरीका तो यह है कि जो कुछ पैसा होता है उस पर ज्यादा से ज्यादा प्राय टैक्स लगा दीजिये। प्रायको रैन्स्यू मिलेगा। दूसरा तरीका यह है कि एक्सीक्यूटिव और इंडस्ट्रियल प्रोडक्शन बढ़ाइये और रेट आफ टैक्स कम करिये, प्रायका रैन्स्यू ज्यादा बढ़ेगा।

इस बजट में दुर्भाग्य से जो नीति अपनायी गई है वह यह है कि जो कुछ है उस पर ज्यादा से ज्यादा टैक्स दो, उससे ज्यादा कींचो। मेरा कहना यह है कि यह बहुत खतरनाक चीज है। प्रायको बाव होगा सन् 1974 में डायरेक्ट टैक्सेस का रेट कम किया गया और पहली बार 97 परसेंट से 79 परसेंट किया गया। उससे प्रोपोज रैन्स्यू कम नहीं हुआ बल्कि 176 करोड़ बढ़ाया ज्यादा मिला। उसके बाव 1976 में उसकी 66 परसेंट जाया गया 77 परसेंट से, और 11 परसेंट कम किया गया। इस तरह से प्रोपोज रैन्स्यू से 246 करोड़ बढ़ाया ज्यादा सरकार को मिला।

इन्सान जितनी मेहनत करता है, वह चाहता है कि उसके पास ज्यादा पैसा रहे। प्राय जितना रेट आफ टैक्स बढ़ायेगे, उतना रैन्स्यू कम जायेगा। सास्ट ईयर पटेल साहब ने 3 परसेंट बढ़ाया तो इस तरह से क्या प्रायका रैन्स्यू पहले से कम नहीं जाया? जब 3 परसेंट और बढ़ा दिया गया है इससे रैन्स्यू और गिरेगा क्योंकि तरीका यह है कि जब

तक इंडस्ट्री की और एपीकल्डर की प्रोडक्शन नहीं बढ़े, इन्फ्लैशन्स कम करने और कच्चा टैक्स लगायेंगे? मैं समझता हूँ कि जब तक यह दोनों चीजें नहीं बढ़ेंगी तब तक रेवेन्यू नहीं आ सकता। इसलिये मेरा कहना यह है कि आप 10 हजार की लिमिट इनकमटैक्स की रखिये, अभी आपने 8 हजार की की है। मिनिमम 10 हजार की लिमिटेड होनी चाहिये, उससे ऊपर इनकम पर टैक्स लगाया जाये। इसके साथ ही मैक्सिमम रेट आफ टैक्स कम किया जाये। जिसकी 40 हजार इनकम है अब वह 56 परसेंट टैक्स देता है, वह इन्वेन्शन करेगा, बलैक मनी बनायेगा।

आपने कैपिटल गेन्स में सुविधाएँ दी हैं, उसके लिये बढ़िया किया। लेकिन जो पहले था, उस पर कैपिटल्स गेन होता तो अच्छा रहता। मैं अर्ज करता हूँ जैसे बीजरी साहब के किसी ज़मीने या सन-इन-ला में या किसी ने ज़मीन बेची और बेचने के बाद अब यह कहा गया कि वह ज़मीन सरकार को वापिस जायेगी तो पहले जो उन्होंने ज़मीन पर कैपिटल गेन्स टैक्स लगा और सरकार को वापिस जायेगी तो सब पर अब गिफ्ट टैक्स देना पड़ेगा क्योंकि गिफ्ट टैक्स जो सही बैल्यू है, उस पर लगाया जायेगा तो इस तरह से बहुत भार पड़ेगा।

इसलिये यह जो तरीका है कि हर साल 10, 20 सैकन्ड कम करना या ज्यादा करना अच्छी चीज नहीं है। इनकम टैक्स को स्थायी रखना चाहिये। कभी थोड़ा रिलीफ देते हैं, कभी वापिस लेते हैं, और फिर देते हैं।

अब कहते हैं कि ब्रडस्ट्रेजिन को रोकने के लिये दाम बढ़ाया कैरोसिन धायल का। यह प्रार्थमिक पहलें भी दी गई थी और जब कम किया गया तो यह प्रार्थमिक की गई कि यह गरीबों की चीज है। तो यह चीज ठीक नहीं है। अगर लोगों के बोझ को ठीक करना है, तो इसमें ज़रूरत कम करनी होगी।

एक चीज मैं यह कहूँगा कि ब्लैक मनी के वालेब्रटरी डिस्कोन्डर के 2, 3 मीके धाये। मैं इसकी ठीक नहीं समझता। मैं मंत्री महोदय को एक सुझाव देना चाहता हूँ, अगर वह इस पर ध्यान दें तो। जो इस तरह का अपना आज मार्केट में ब्लैक मनी, पैरलल मनी चल रहा है अगर उसको रोकना है, परेस्ट करना है तो उसका तरीका यह है कि गांव में जो भी पब्लिक बैंककेयर का काम हो, 100 परसेंट बैंककेयर का काम हो, उस पर जो भी खपचा लगाना चाहते हों, आप उनसे पूछिये मत कि खपचा कहाँ से धाया। इस तरह वह पैसा पब्लिक एक्टिविटी में लगेगा। अगर कोई धावनी हाउसिण्डल, स्कूल-कालेज, कम्युनिटी सेंटर या सड़क बनवाने, या गहर खदवाये—बाहेर वह खपचा गांव में लगे या गहर में लगे—तो उससे उस रुपये के बारे में पूछा जाये। मैं इस बात के खिलाफ हूँ कि हर एक बात में यह शर्त लगा दी जाये कि अगर गांव में कुछ किया जाये, तो क्लॉस एम्प्लेजन्स या सुविधा दी जायेगी, और अगर गहर में किया जाये तो नहीं दी जायेगी। इस तरह पैसा को दो दुकानों में बिबाइड

नहीं करना चाहिए। बाकिर गहरों में भी गरीब लोग रहते हैं। इस लिये गहरों में भी सुविधाएँ दी जानी चाहिए।

कहा जाता है कि पैसा कहाँ से धायेगा। शायद फ़िनांस कमीशन ने कहा है कि गांवों में जो करल रिच रहते हैं उनपर बीस साल पहले जो टैक्स था आज उन पर उसका दसवाँ हिस्सा टैक्स लगता है। क्या मंत्री महोदय ने कभी यह सोचा है कि गांव में जिस की आमदनी 10, 15, 20 या 30 हजार रुपये है उस पर भी टैक्स लगना चाहिये? क्यों नहीं लगना चाहिये। फ़िनांस कमीशन ने यह रीकमेंड किया है। कई राज्यों ने तो जैड रेवेन्यू भी करल कर दिया है। मैं चाहता हूँ कि गांव में जिस किसान की आमदनी 12 हजार रुपये से ज्यादा है उस पर इनकम टैक्स लगना चाहिये।

इस बजट की प्रोपोजल से फ़ायदा किस को होता है? वित्त मंत्री ने आप में जो रिलीफ दिया है उससे केवल करल रिच को फ़ायदा होता है। इरिगेसन और बिजली में सास होता है मगर उसका फ़ायदा गांवों के सिर्फ 20 परसेंट बड़े किसानों को होता है। साढ़े तीन करोड़ छोटे किसानों को जिनके पास डार्ड एकड़ से कम ज़मीन है कोई लाभ नहीं हो पाता है। मैं करल डेवेलपमेंट के खिलाफ नहीं हूँ। मैं चाहता हूँ कि उसको प्राथमिकता दी जाये। पहले हज़ार गांवों के लोगों का है क्योंकि वहाँ ज्यादा गरीबी है। लेकिन वह डेवेलपमेंट साढ़े तीन करोड़ किसानों के लिये होना चाहिये। जब तक उनके लिये कुछ नहीं होता है तब तक मैं नहीं समझता कि गांवों का विकास होगा।

जनता पार्टी के मैनिफेस्टो में कहा गया है कि स्माल स्केल इंडस्ट्रीज को बढ़ावा दिया जायेगा। प्राइम 68 की कोई डेफ़िनीशन नहीं है—नेसेटिव डेफ़िनीशन है कि जो चीजें एक्सपोर्ट में कवर नहीं होती हैं वे सब प्राइम 68 में आयेंगी। उस सिस्टम में प्राइस, एपीकल्डरल इम्प्लीमेंट्स, इंडस्ट्रियल बाइसकिल इलेक्ट्रिक सुइच, बूट पालिश, बकेट वगैरह बहुत ही छोटी छोटी चीजें हैं। उन सब पर 8 परसेंट टैक्स लगाने से सब चीजों के दाम बढ़ गये हैं।

इसके अलावा स्माल स्केल इंडस्ट्री की एम्प्लेजन्स लिमिट को 30 लाख रुपये से कम कर के 15 लाख रुपये कर दिया गया है। जिसने 10 लाख रुपये की कैपिटल इन्वेस्टमेंट की है क्या वह 15 लाख रुपये का टर्नओवर कर के अपना काम चला सकता है? महंगाई के कारण इस लिमिट को 30 या 40 लाख रुपये कर देना चाहिये—30 लाख रुपये तो जरूर कर देना चाहिये। मैं यह वार्निंग देना चाहता हूँ कि अगर ऐसा नहीं किया जायेगा, तो सब स्माल स्केल इंडस्ट्रीज बंद जायेंगी। जिसने रेवेन्यू को सरकार की ज़मीन है, वह भी उसको नहीं मिलेगा। दुग्धश, बीड़ी, मैच बाक्स, कैरोसिन धायल और इलेक्ट्रिक ग्रीन पर सरकार ने

[श्री कंवर लाल गुप्ता]

जो टैक्स बढ़ाया है, वह सब का सब वापस ले लिया जाये।

जहां पर खर्चा ज्यादा होता है, उसको पिन डाउन करने के लिए कमीशन बिठाने की जो योजना बनाई गई है, मैं उसका स्वागत करता हूँ। श्री पाई उसके बारे में क्लिफिकल होंगे, लेकिन मैं उसके लिए बधाई देना चाहता हूँ। मैं उस कमेटी का भी स्वागत करता हूँ जो लेबर ओरिएंटेड इंडस्ट्रीज क्या क्या है उस चीज में जायगी वह भी एक अच्छी बात है और जो दस लाख टुर्बोको प्रोपर्स को हेरेसमेंट हो रहा था वह हेरेसमेंट आप ने दूर किया उस के लिए मैं आप को बधाई देना चाहता हूँ।

भालटरनेटिव सोलेंज क्या हो सकते हैं इस के बारे में कह कर के मैं अपनी बात खत्म करूंगा। पब्लिक अंडरटेकिंग्स में 15 हजार करोड़ खपया लगाया हुआ है। जब पहला प्लान बना था पहले साल में केवल 27 करोड़ लगा था आज 15 हजार करोड़ खपया लगा हुआ है। आप कहते हैं— We achieved commanding heights. What is your height? You are showing a loss of Rs. 15 crores. Is that your commanding height? Is there any height at all? That is my question. Are we supposed to pay tax on account of mismanagement? On account of inefficiency and corruption in the public sector undertakings. I am not against public sector undertakings.

MR. CHAIRMAN: Please conclude now. You are depriving backbenchers of their chance; they are sitting patiently.

SHRI KANWAR LAL GUPTA: I will not take more than a minute.

लेकिन इस को टाइटेन अप करना पड़ेगा। दो हाई परसेंट से शुरू करेंगे तब भी आप का दो सौ हाई सौ करोड़ खपया आ जायगा। 1100 करोड़ खपया बढ़े बड़े उद्योगपतियों की तरफ आप के इन्कम टैक्स का एरियर है। उन में बहुत सारे ऐसे हैं कि जिन में कोर्ट में केसेज नहीं चल रहे हैं। वहां पर आप दो सौ या तीन सौ करोड़ खपया बसूल क्यों नहीं कर सकते? शराब बन्दी तो आप चाहते हैं लेकिन शराब को आप ने छेड़ा नहीं है। मैं चाहता हूँ कि शराब पर भी आप टैक्स लगाएं।

साखिर मैं मैं एक चीज यह कर खत्म करता हूँ कि यह जो हमारे पास फारेन एक्सचेंज है वह

बहुत काफी है। इस के लिए स्टडी करिए आप कि इसका किस तरह से इस्तेमाल हो। अभी तो यह हैपहेंजर्ड तरीके से हो रहा है जहां घाटेज होती है फारेन एक्सचेंज इस्तेमाल कर लेते हैं। मेरा यह कहना है कि वह कैसे भी आता है उस की एक साइटिफिक स्टडी हो और इस के बाद इसका उपयोग ज्यादा से ज्यादा कैसे हो सकता है यह देखना आवश्यक है।

इन शब्दों के साथ मैं इस बजट में जो अच्छी बातें हैं उनका स्वागत करता हूँ और मैं चाहता हूँ कि मंत्री महोदय को जो मैंने सुझाव दिए हैं उनकी ओर ध्या दिया जाय।

SHRI AINTHU SAHOO (Bolangir): I welcome the Finance Bill. We have been listening to great industrialists like Shri Pai and unbanties like Mr. Kanwarlal Gupta. Now you will hear a man from the village who is a cultivators. As regards the Finance Bill this is a Bill which reflects the inspiration of the cultivators. It has given some concessions and some relaxations also. During the last thirty years we had been having planning but unemployment problem is there. Mr. Pai was saying that the Planning Commission writes something to the government and the government does not do it. I may remind that the late Rajagopalachari said that the Planning Commission for all times to come should go and the government should view these things. This Bill is concerned with the rural people. In the beginning our planning was on the Russian model. Russians started their plans to meet their immediate need for heavy industries. We adopted the same model. If we know the history of the days when planning was formulated, at that time great stalwarts like Dr. Brahmananda argued what type of planning should be there. We needed the wage good Model Planning for India at that time. Shri Krishnamachari said that they had already committed to socialist planning of the Russian type and asked the others not to put forward any other new types. As a result we have got all these things unemployment, poverty, etc. as the rural people were neglected for all times to come. I congratulate the

Finance Minister; for the first time he has presented a budget where the needs of the village people and cultivators had been given attention. Last time also I quoted from the book he has written: *Gandhian Blueprint*. If at all we have to develop this country, we have to shift population from agriculture of industry. Prof. Dantawala has written a book: *"Hundred years of Poverty"*. He is an expert and is advising the Planning Commission and he has said that as long as the people depend upon land, their per capita income will be the lowest. In the last 30 years, the Congress Government or the previous Government have given or distributed land to the people. But the per capita income of the people remains the lowest, rather more persons live below the poverty line.

The value of the rupee had also been decreasing. A rupee that is 100 paise in the year 1950 came down to 25 paise in 1977 when the Congress Government left and this Government came in. Now the rupee is a stable rupee.

In the country we have got our food stock at an impressive figure of 20 million tonnes. The record production 126 million tonnes in 1977-78.

In the last Budget the trade deficit was there and now also it is due to more import and less export. There was a fall in exports. As a result of it, there was trade deficit. I tell you there will be no trade deficit this year. We have got a huge store of foreign exchange in the country and huge quantity of foodgrains.

Now I will come to taxation. The rate of taxation in our country is really very high. Maximum revenue through maximum taxation leads to Diminishing Return and also is counter productive. Maximum revenue through minimum taxation is always better. Dr. Ludwig Erhard, the

author of the German Miracle and Prof. Colin Clark have been of a definite view that maximum personal taxation should not be more than 50 per cent. You will be surprised to know that Prof. Kaldor the eminent Socialist advocated that the maximum rate of taxation should be 45 per cent. In our country we have the highest income tax. Maximum revenue we can get through minimum taxation, wherein there will be no evasion.

Last year in Great Britain they reduced income tax. The British economy cut down the income tax to £ 2,000 in the Budget, as a result of which they got more revenue. Accordingly we should think of reducing income tax to avoid more evasion. In our country only 3 million people pay income tax. There is heavy taxation. That is why there is more of black money. We should follow the example of Great Britain. In England those who have black money, they go and deposit the amount by cheque in the bank without disclosing the identity or name. Ultimately the money comes into circulation. If we adopt this type of method, there will be no trouble at all.

In 1951 there were 15 items on which there was excise duty. Now we have more than 133 items. If heavy excise duties are levied, then there will be depression. Therefore, we should relax the excise duty. At the same time we should have supervisory staff to see that the purpose for which excise duty is reduced, the benefit reaches the persons for whom we reduce the excise duty. I would like to cite the example of Electric Pumps. Excise duty on Electric Pump was relaxed for the benefit of the cultivators last year. But the benefit never reached the cultivators. The price remained the same even though concession on excise duty was given.

Public Sector is always an ailing baby. 60 per cent of our investment is in the Public Sector and it is run-

[Shri Ainthu Sahoo]

ning in a loss. It is the ailing baby of the previous Government. We are not guilty for this. The previous Government is responsible for this.

The Steel plants in the country have not been started by the Janata Government. These have been started by the previous Government. It is an ailing baby. In the public sector we have investment. But we have no return. Whatever we lose, we lose the money of the common man, the common tax payer. We lose Rs. 100 crores every year in Coal India which has been nationalised by the previous Government. We are not responsible for it. I request the present Government not to go in for nationalisation. This poor nation cannot afford the luxury of nationalisation we cannot afford to have nationalisation and to let the country go to ransom.

My last point is, I was going round the capital and I found that there are five items which the common people want to have at cheap rates, namely, rice, wheat, coal, kerosene and cooking oil. Now the prices of foodgrains have come down and there is no restriction on movement of foodgrains from one State to another. No longer is there any difficulty for the people to get foodgrains. Regarding sugar also, this Government has cancelled the system introduced by the licence-quota-permit raj and people are getting enough sugar at reasonable rates. Regarding coal, the difficulty is not because of this Government but because of the actions of the previous Government. So far as kerosene oil is concerned, Government should not increase its price and people should get kerosene at cheap rates. I request the Government to be kind enough to see that these five items which I have mentioned, which the common people use in towns and villages, are made available at cheap rates.

With these words, I support the Finance Bill.

SHRI V. ARUNACHALAM alias 'ALADI ARUNA' (Tirunelveli): Madam Chairman, I rise to say a few words on the Finance Bill which has been placed before this august House. Within a very little span of period, before the public get even the modicum of benefit of the budget, their life has been seriously affected by the tax proposals. The price of the essential commodities, petrol, diesel and kerosene have shot up so as to cause injury to the economy of the country and the people as well. During the period of Congress rule, we saw the people standing in the queues. But thanks to our hon. Deputy Prime Minister, we see the queues of lorries, buses and tractors along the roads.

While he submitted the budget, the wholesale price index was 185. When he comes with the Finance Bill, the wholesale price index has reached the peak of 190.5. When the hon. Deputy Prime Minister was replying to the general discussion on the general budget, he assured the House that he would see that there would be no significant increase in general price index. Now it seems he is indulging in exercising his intellectual subterfuges and brainy twists to defend his position.

The radical changes in fiscal policy between the States and the Centre are quite essential to form a welfare nation. The adoption of highly centralized planning, taxation and finance is a complete failure for the past 30 years and it is neither helpful to develop our industries nor helpful to remove the regional imbalances among the States or fruitful to improve the under-developed regions and remove their backwardness. Instead it has resulted in lopsided industrial development and it has been construed as a political weapon against the States where a party other than the party at the Centre is entrusted with ministerial responsibility.

It is said that the Janata Government took right steps towards the decentralisation of economy. Accordingly it is argued that it has liberally provides Rs. 3112 crores for assisting the States and that the total acceptance of the recommendations of the seventh Finance Commission is another indication towards its decentralisation policy. Some of the dailies in Delhi, without analysing the factual position, are publishing articles in support of this view. But in fact, there is no decentralised economy or planning. There is no departure from the policy and principle of the previous Government. The tactics adopted by this Government make the people believe that it is more pragmatic and empirical towards the States but it cannot disguise the fact that its policy and principle remain unchanged.

Mere total acceptance of the recommendations of the seventh Finance Commission is not at all going to create any radical change in the economy of the States. Virtually there is no considerable improvement upon the recommendations of the sixth Finance Commission. The fiscal transfer to the States on the basis of the recommendation of the sixth Finance Commission was Rs. 11,168 crores out of a total tax revenue receipts of Rs. 43,916 crores.

In other words, the devolution of revenue to the States was 25.4 per cent. On the basis of the recommendations of the Seventh Finance Commission, the estimated fiscal transfers to the States will be Rs. 20,907 crores out of the estimated total revenue receipts of Rs. 80,126 crores. So, the devolution to the States will be 26.1 per cent thanks to the Seventh Finance Commission. Due to the recommendations of the Seventh Finance Commission the increase is mere 0.7 per cent only. How this modicum is going to change infrastructure of our States' economy? Claiming of any credit for total acceptance of the recommendations of the Seventh Finance Commission is nothing but a trap and delusion.

If we examine the transfers of amount under various heads to States for the current year, the position will be further helpful to remove our vestige of doubts. The total net transfer to the States in 1978-79 was Rs. 6552 crores. It is increased to Rs. 6938 crores in 1979-80. If we compare this kitty with the total revenue receipts, the net transfer in the last year was 33.5 per cent. This year it is only 33.6 per cent. The increase is mere 0.1 per cent. Therefore, it is false and even a fraud to state that Janata Government is liberal and generous towards the States regarding the devolution of revenue. Because of the failure of the centralised economy and planning, all the States are now forced to fight for economic autonomy. Otherwise, there is no other remedial measure to the States. Now, they begin to adopt a new strategy and utilise various forums to succeed in their attempts.

I am not unaware of the criticism from some quarters about lapses on the part of the States. But the pivotal point is, the centralised planning and obnoxious policy of the Centre in fiscal matters are mostly responsible for the micro level of the States.

Unfortunately, the founding fathers of our Constitution failed to incorporate true federal principles in our Constitution. Of course, they have assigned limited powers to our States in financial matters, but my point is even to the limited jurisdiction, there is a danger from the Centre. If you go through it, you can easily understand. So far we have not come across even a single instance to say that the Centre has relinquished its rights in favour of States.

16.59 hrs.

[SHRI M. SATYANARAYAN RAO in the Chair]

But at the same time, under the pretext of national importance and special importance, uniformity in taxation, it transgresses the limited

[Shri V. Arunachalam *alias* 'Aladi Aruna']

jurisdiction of the States. So, the powers of the States have been snatched away by the Centre. I think, it needs some explanation.

In 1948-49, there were only 15 items on excise tariff schedule. This number was allowed to remain at the same level upto 1953-54. Then additions took place. At present, I remind the House that the central excise tariff covers 135 items. When the Centre is proliferating its jurisdiction without considering the resources left to the States, how could the States mobilise their resources for their welfare? Even though the States have the right to levy salestax on all items, owing to the heavy burden of excise duty, they are forced to be self-restrained.

17.00 hrs.

Realising the weakest position of the States, every Finance Commission took a lenient view on sharing of the income-tax and excise duties. Only because of the continuity of this trend, in order to keep its lion's share in income-tax and excise duty, the Centre introduced new devices, such as corporation tax and surcharge on income-tax. These taxes are nothing but fraudulent methods on the part of the Centre against the States.

The amendment to the Income-tax Act in 1959, conferred power on the Central Government to levy corporation tax, which is not sharable with the States. In other words, the category of the income-tax was converted to the category of corporation tax. Thereafter, the Centre concentrated on increasing the corporation tax, rather than the income-tax so that the constitutional claim of the States could be defrauded by the deceptive method.

Despite the strong representation by the States for sharing of the cor-

poration tax, the Centre is still not prepared to accede to the demands of the States. When it was brought to the notice of the Seventh Finance Commission, it passed some favourable remarks. They stated "even if we sympathise with the point of view of the States, we are unable to make any specific recommendation on this matter, since the Constitution is categorical that corporation tax revenue is not sharable with the States. We can only request, in view of the strong representation made by the States, to us, as well as to earlier Commissions, that the Central Government may consider holding consultation with the States in order to settle the point finally". I do not know whether our Deputy Prime Minister is going to honour this decision of the Seventh Finance Commission.

The surcharge on income-tax is another device discovered by the Centre to escape from the legitimate responsibility of sharing the income-tax with the States. I am very glad to see that even though the recommendation of the Seventh Finance Commission is trammelled in this matter, it has promptly pointed out that "the surcharge continued indefinitely could well be called and additional income tax, sharable with the rest of the proceeds of income tax". Therefore, it should be brought within the ambit of divisible pool through changes in legislation.

The dispute between the States and the Centre regarding the Additional duties of excise is still unresolved. The States have constitutional right to levy sales tax on tobacco, sugar and textiles. But the Centre, under the guise of special importance, entered in to unison with the States and got the right to levy resolved. The additional duties of excise, replacing the sales tax on sugar, textiles and tobacco.

The principle for the distribution of the net proceeds of additional excise duty among the States on the basis of consumption of the article in each States did not work successfully. Most of the States were not satisfied with this arrangement. Had the States been allowed to levy the sales tax, no doubt they could have increased the revenue more than what they were to receive from the Centre. Then, in order to satisfy the States, the Centre, with the consent of the States, introduced a new scheme of additional duties of excise in December 1970. It is unfortunate to mention that since its inception, this Government of the agreement reached in 1970 about tax distribution.

The Centre promised to raise the revenue from additional excise duty to the level of 10.8 per cent of the value clearance. But if you go through the facts, you will find that the actual percentage gradually slid down from 8.66 per cent in 1973-74 to 6.82 per cent in 1977-78.

The most important source of revenue which is constitutionally allotted to the States for enhancing their revenue has remained unchanged and under-utilised due to the obnoxious policy of the Centre.

The attitude of the Centre regarding the grant in lieu of tax on railway passenger fares heavily affected the revenue income of the States. After the repeal of the Railway passenger fares Act, 1957, the Railway Convention Committee came forward to pay Rs. 12.5 crores annually to all States for distribution in lieu of this tax. The quantum of the amount was increased to Rs. 16.25 crores for the period from 1966-67 to 1970-71. Thereafter, the Railway Convention Committee did not increase the quantum of the amount paid to the States. The quantum of the amount to be paid to the States is unchanged and petrified. At the same time, the income to the Railway Board through fares is increasing abnormally.

Sir, I remind this august House, if the tax imposed under the Railway Passengers' Fares Act had been allowed to operate, according to the particulars given by the 7th Finance Commission, the collections would have reached Rs. 61.17 crores in the year 1977-78 and Rs. 63.72 crores for the year 1978-79. But still the Railway Board is paying only Rs. 16.25 crores, which is less than one-fourth of the amount due to the States.

In his Budget speech, our Finance Minister and the Deputy Prime Minister has given assurance to the States that he would see that the States would get their legitimate share in taxes. I do not understand how he defined the word 'legitimate'. Is it not legitimate asking the Government to give share in corporation tax? Is it not legitimate demanding the Government to give the share of surcharge on income-tax? Is it not legitimate asking the Government to implement the terms and conditions of the agreement reached in 1970? Is it not legitimate asking the Government to pay to the States according to the collection of fares by Railways? I do not know. Let the Minister spell out his explanation to the House as to what is legitimate. The States' share of tax has been seriously neglected by the Centre.

The irrefutable fact is the obnoxious policy of the Centre. Centralised economy and planning is the cause of all the troubles prevailing in the country. Unless radical changes are brought about by changing the laws and amending the Constitution so as to extend the revenue province of the States, the progress of our country would be put on reverse gear. To have a sound and successful economy in the States, the overhauling of the fiscal relationship between the Centre and the States is quite necessary. Therefore, in a federal set-up, without economic autonomy to the States, the creation of a Welfare State may be a matter of hope, but not a matter of fact.

को दस० एच० तीनवीं (चिती० ब०)
समापति महोदय, मैं वित्त मंत्री द्वारा प्रस्तुत फायनेंस बिल का समर्थन करने के लिये बड़ा हुआ हूँ। अक्सर हमारे विधायकों द्वारा यह कहा गया कि जनता पार्टी ने 2 साल में क्या काम किया और जनता पार्टी की नीतियाँ किस प्रकार से पुराने शासन से भिन्न हैं? एक बहुत बड़ा परिवर्तन 1977 में इस देश में हुआ था और उसके बाद जो जनता पार्टी की नई सरकार बनी, उसने पिछली सरकार की विकास की जो वार्षिक नीति थी, उसको पूरी तरह से बदल दिया।

पहले की सरकार शहरों की ओर विशेष ध्यान दे रही थी और उनका अनुमान था कि अगर हम शहरों का विकास करेंगे तो इसका गांवों पर भी प्रभाव पड़ेगा और वह भी विकसित होंगे। उस समय भी हम कहते थे कि यह नीति गलत है। 80 प्रतिशत लोग गांव में रहते हैं इसलिये जब तक हम गांव का विकास नहीं करेंगे तब तक देश पूरी तरह से विकसित नहीं हो सकेगा और इसलिये हमने उस नीति की पूरी तरह बदल दिया। आज गांवों के विकास का सिलसिला शुरू हुआ है। मैं राजस्वान का उदाहरण दे सकता हूँ। वहाँ कोई भी अगर गांव में जाकर देखना चाहे तो वह देख सकता है। लोगों की धारणा यह है कि वहाँ गांव में पिछले 30 सालों में सार्वजनिक कार्यों के लिये एक ईंट या एक पत्थर भी नहीं लगा। वहाँ राजस्वान में जब एक एक गांव में एक एक नई दो दो और तीन तीन भवन अभाव के बदले काम के आधार पर खड़े हैं। आज गांव के लोग कहते हैं कि पिछले 30 साल में कभी इस प्रकार का काम नहीं देखा।

अन्योदय का प्रोग्राम देखिये। इस तरह की योजना राजस्वान सरकार ने चलाई है। इसको राष्ट्रीय रूप देना चाहिये। केन्द्रीय सरकार को इस काम के लिये पूरे बजट की व्यवस्था करनी चाहिये थी, परन्तु उसके लिये कोई प्रावधान नहीं किया गया है। इस अन्योदय योजना के तहत गांव के गरीबों को खेती के लिये जमीन और रहने के लिये मकान की जमीन दी गई है। जिसके पास खेती है उसको उसे विकसित करने के लिये साधन दिये हैं और जो भ्रमण हैं, काम नहीं कर सकते हैं, बूढ़ हैं, ऐसे लगभग 30 हजार आयुधियों को 50 से 60 रुपये मासिक पेंशन दी जा रही है। यह काम करने का तरीका बनाया गया है। इस तरह से इस साल का जो वित्त विधेयक और बजट आया है, उसका मैं समर्थन करता हूँ।

परन्तु कुछ आधारभूत बातों की ओर मैं मंत्री महोदय का ध्यान आकषित करना चाहूँगा। उत्पादन चाहे उद्योग का हो या कृषि का हो, हमारे देश की इकनोमी को बेलेन्स रखना आवश्यक है। हमें प्रसन्नता है कि खेती और सिंचाई व उद्योगों पर पूरी मुस्तैबी से ध्यान दिया जा रहा है परन्तु इसमें और भी कुछ

करने की आवश्यकता है। केवल आँकड़े रखने से सरकारों में पब्लिसिटी करने से काम नहीं होगा। अगर हम देश का और गांवों की जनता का विकास करना चाहते हैं तो हमें वास्तविक प्राउट-पुट बताने पड़ेंगे, हमें सारी चीजें जनता के सामने दिखानी पड़ेंगी ताकि लोगों की यह कि हमारी आँखों के सामने काम हो रहा है। इसलिये उत्पादन की ओर मैं विशेष रूप से वित्त मंत्री महोदय का ध्यान आकषित करना चाहूँगा कि कृषि सिंचाई और उद्योग धंधों के लिये जितनी भी रियायतें आपने दी हैं वह बहुत अच्छी हैं किन्तु और जितनी भी देने की आवश्यकता हो वह भी दी जानी चाहिये।

अभी हमारे मित्र श्री कंदर लाल गुप्त स्माल हूकेल इंडस्ट्री के लिये कह रहे थे। आपने जो 30, 40 हजार स्माल स्केल की इंडस्ट्रीज की सेट्टल एक्साइज की लिमिट को 30 लाख से 15 लाख किया है, वह उससे प्रभावित होती है। इसका सरकार बाया मीडिया निकाले। उन लोगों को प्रोडक्शन का हिसाब किताब रखना होगा और भी कई तरह की कठिनाइयाँ आयेंगी। अगर इस तरह की चीजें स्माल स्केल इंडस्ट्री में करेंगे तो उससे माल प्रैक्टिसेज होगी और हैरतमंद होगा। उसके कारण स्माल-स्केल इंडस्ट्रीज की प्रोडक्शन में कमी होगी। इस बारे में आल-इंडिया फेडरेशन आफ स्माल-स्केल इंडस्ट्रीज की तरफ से आपन दिया गया है। लगभग 70 एम पीज ने भी एक लिखित आपन दिया है। प्रबचनों में इस बारे में बहुत कुछ आया है। इस पर पुनर्विचार करने की आवश्यकता है। हमारे पास लोग प्राते हैं। वे बहुत परेशान हैं। उनका कहना है कि हम ने जो गति अपने उद्योगों में प्राप्त की थी इस नये प्रावधान के कारण वह रूक जायेगी और विकास में कठिनाई होगी।

मैं राज्य मंत्री श्री अग्रवाल, की विशेष रूप से बधाई देना चाहता हूँ कि उन्होंने जो साल में दिवेंदस बर्क किया है—बासकर तस्करी और कस्टम के मामले में। फिर भी कुछ जगह अनियमितताएँ हैं। बम्बई में जो माल पड़ा हुआ है, वहाँ का कस्टम अधिकारी अपनी इच्छा से जमानत ले कर उसको छोड़ देता है। इसके मुकाबले में मद्रास में लोगों का माल पड़ा रहता है। व्यापारी कहता है कि जिस प्रकार बम्बई में माल छोड़ा जाता है, उसी प्रकार छोड़ दीजिए, लेकिन वहाँ के अधिकारी छोड़ने के लिए तैयार नहीं होते हैं। दो तीस हजार रुपये का डेमेरेज व्यापारी को प्रति दिन देना पड़ता है। इस बारे में कोई बाया मीडिया निकाल कर इस मामले को सप करना चाहिये। सामान पड़ा रहता है और उसपर जितना डेमेरेज बढ़ता है, उतना सामान बचाया नहीं होता है।

मंत्री महोदय ने सार्वजनिक रूप से कहा है कि यह प्रत्येक राज्य में इकानोमिक आर्केसिज के लिए स्पेशल कोर्ट बनाने की व्यवस्था कर रहे हैं। हमारी इकानोमी के डांबाडोल होने का सब से बड़ा कारण आर्थिक अपराध करने वाले लोग हैं, जो कानून के शिकंसे में नहीं आते हैं। इसके कारण देश में कई तरह की अवांछनीय गतिविधियाँ होती हैं। मंत्री महोदय को इस प्रस्ताव पर जल्दी से ध्यान कर के आर्थिक अपराध करने वाले लोगों की ऐसी अवांछनीयता के दायरे में लाना चाहिए, जो अपने निजी स्वार्थ के लिए समाज और देश के साथ गद्गारी करते हैं। आर्थिक अपराधों को रोकने की बहुत आवश्यकता है।

मैं वित्त मंत्री से पूछना चाहता हूँ कि स्वर्ण नीति का क्या हुआ। सोने के भाव की स्थिति क्या है? उसपर पिछले काफी समय से वह चुप हैं। मुझे ऐसा लगता है कि वह इस बारे में कुछ कहने की स्थिति में नहीं हैं। वह एक डायनामिक पॉलिसी लागू कर के इस गड़बड़ी को कंट्रोल करें, क्योंकि वर्तमान नीति का दुरुपयोग हो रहा है।

ग्रामीण विकास के लिए बहुत तरह के अच्छे प्रावधान किये गये हैं। मेरे मित्र, श्री कंवरलाल गुप्त, ने कहा है कि सरकार नई नीति बना कर गांवों और गांवों का विवाह पैदा न करे, देश को विभाजित न करे। मैं उनसे कहना चाहता हूँ कि तीस साल तक गांवों में बहुत काम होता रहा है। वहाँ के लोगों को बहुत सुविधायें मिली हैं और उन की हालत अच्छी हुई है। अगर सरकार पांच दस साल तक गांवों के विकास पर ध्यान देती है, तो वह इस में रोकड़ा और बाधक न बनें। गांवों के लोगों के लिए काम करने की बहुत आवश्यकता है। फिनांस बिल में गांवों के इरीक्ट्रिकफिकेशन, पीने के पानी और शिक्षा के लिए जो प्रावधान किये गये हैं, मैं उनका पूरे जोर से स्वागत करता हूँ। मैं निवेदन करना चाहता हूँ कि इस गति को बनाये रखना चाहिए। गांवों के लोगों की हालत को सुधारने के लिए गांवों के लोगों को कुछ त्याग करना पड़ेगा।

उत्तर से ओझले वाले पहले बस्ता ने अंत में हरिजनों पर अत्याचार और भ्रष्टाचार की बात कही। उनके पास कहने के लिए कुछ नहीं है, इस लिए बून-फिर कर इन्हीं बातों पर वापस आते हैं। परन्तु इसी सभा में इस बात को स्पष्ट किया जा चुका है कि पिछली सरकार के समय में हरिजनों पर कितने अत्याचार हुए, जनता पार्टी की सरकार ने उन को कंट्रोल किया है और हरिजनों पर अत्याचार के परसेटिव में कमी हुई है। हम तो नहीं चाहते कि एक भी व्यक्ति पर अत्याचार और अत्याचार हो परन्तु यह एक 30 साल की व्यवस्था को

आप ने खड़ी की उस को बराबरी करने में समय लगेगा।.. (अव्यवधान)... पहले भी होते थे और अब भी हो रहे हैं तो उन को कंट्रोल करेंगे। आप और हम सब लोग उस के लिए जिम्मेदार हैं और यह कोई पोलिटिकल समस्या नहीं है, यह सामाजिक समस्या है और हम सब को मिल कर इस को समाप्त करना पड़ेगा।

एक बात बात तौर से और कहना चाहता हूँ। कई बार इस सदन में भी यह बात आई है कि बैंकों से जो ऋण की व्यवस्था है उस में बहुत गड़बड़ियाँ होती हैं। हजारों अर्लीकेमंड कारतकारों की आज बैंकों में पेंडिंग है और कोई बैंक वाला अपनी जिम्मेदारी नहीं समझता। आप ने लघु उद्योगों को बैंकों से ऋण दिए जाने की व्यवस्था की है परन्तु बिना कुछ दिए लिए न कारतकार की ऋण मिलता है न उद्योग लगाने वालों को मिलता है। इसलिए इस में अगर किसी तरह से आप ऐसा परिवर्तन कर सकें कि जिस में बैंक के आधिकारियस्त को कुछ भी करने की गुंजाइश न रह जायें तो उसे करने की बहुत बड़ी आवश्यकता है।

राजस्थान कैनाल जैसी राष्ट्रीय योजना जो विश्व की सब से बड़ी सिंचाई योजना है, इस का काम बहुत मन्द गति से हो रहा है। सिंचाई मंत्री जी भी यहाँ बैठे हैं, मैं कहना चाहता हूँ कि ऐसी राष्ट्रीय योजना के लिए केन्द्रीय स्तर पर विशेष प्रकटिब बजट बना कर इस को पूरा किया जाना चाहिए। कितने वर्षों से यह योजना चल रही है। जिस योजना के सब पर हम यह मानते हैं कि पूरे देश का अनाज का आउटपुट दस परसेंट बढ़ जायगा, इतनी बड़ी योजना पर भी हम गंभीरता से विचार न कर के उड़ी रफ्तार से काम कर रहे हैं वह उचित नहीं है। मैं चाहता हूँ कि वित्त मंत्री जी इस पर विशेष रूप से ध्यान दें और ऐसी योजनाएं जो देश में हैं जिनके कारण पूरे देश पर असर पड़ता है उन को त्वरित गति से पूरा करने के लिए विशेष प्रावधान करें।

पिछले साल बताया गया था कि मुगर मिर्चों के जिम्मे कारतकारों का 40 करोड़ रुपये बकाया है। मुझे पता नहीं है कि अभी इस समय क्या स्थिति है परन्तु इतना अवश्य है कि यह राशि और बड़ी है। मैं यह कहना चाहता हूँ कि मेरे क्षेत्र में जो बीपीएल खागर मुगर मिल है चित्तौड़ जिले में उस के जिम्मे कारतकारों का 5 लाख रुपये बाकी है। चित्तौड़ जिले में मैं निवेदन करूँगा कि जितना पक्का पिछले साल पैदा किया गया था उस का आधा पक्का कारतकारों ने इस साल पैदा किया क्योंकि बड़ी यह एक ही मिल है और उस ने अपनी बीपीएल बनाई हुई है। यह पक्का उठाते नहीं हैं। इसलिए हम दोनों बागों का

[श्री एस० एस० सोमानी]

सार्वजनिक बिदा कर उस के लिए व्यवस्था करने की आवश्यकता है। मैंने राजस्थान में भी कहा था और यहाँ भी कहा चाहता हूँ कि पब्लिक सेक्टर में एक कैन्ट्री बहा और बड़ा ही काम तो हमारा उत्पादन भी बढ़ेगा और कारखानों को भी सहूलियत होगी। सारा काम अच्छा होगा। अगर कैन्ट्री लगाने पर कोई बहुत लागत भी नहीं आती है। केवल 8 करोड़ लागत आती है। इसलिए इस और भी मैं ध्यान आकर्षित करना चाहता हूँ।

एक माइली के एम्प्लॉइज जो एजीटेसनल ऐटी-यूड बनाए हुए हैं उस के कारण आप को नुकसान हो रहा है। दो वर्षों से फील्ड आफिसर्स एजीटेडेड हैं। एमजॉसी के विनों में जो काला कानून और काले प्रतिबंध लगा कर उन के वाजिब अधिकारों को समाप्त किया गया था, मैं चाहता हूँ कि उन को समाप्त कर के उन के पुराने अधिकारों को फिर से रिबाइज करे और इस बीमा उद्योग को आगे बढ़ाने में सहयोग दें। इन्हीं बातों के साथ मैं आप को धन्यवाद देते हुए अपनी बात समाप्त करता हूँ।

श्री राधब जी (विदिमा) : सभापति महोदय मैं वित्त विधेयक का समर्थन करते हुए कुछ सुझाव रखना चाहता हूँ। सब से पहला सुझाव मेरा यह है कि यह जो डायरेक्ट टैक्स कानून बहुत काफी बने हुए हैं इन सब को मिला कर एक करना बहुत जरूरी है। इनकम टैक्स, वेल्थ टैक्स, गिफ्ट टैक्स और एस्टेट ड्यूटी, ये चार टैक्स इकट्ठे किए जा सकते हैं। इन को भलग भलग रख कर इस को और ज्यादा काम्प्लीकेटेड कर दिया है। यह न तो कारदाताओं के लिए ठीक है और न सरकार के लिए ठीक है। सरकार का इस पर व्यर्थ में पैसा भी खर्च होता है। तो इन चारों टैक्सों का एक कानून बना दिया जाना चाहिए और इनमें कोई विशेष कठिनाई भी नहीं है, आसानी से कर सकते हैं क्योंकि वेल्थ टैक्स का एसेसमेंट भी इनकम टैक्स आफिसर करता है और गिफ्ट टैक्स का एसेसमेंट भी इनकम टैक्स आफिसर करता है। सिर्फ एस्टेट ड्यूटी के लिए भलग अधिकारी होने से दोनों का सार्वजनिक नहीं बनता है। इस से स्टेट ड्यूटी की बोरी भी बहुत होती है और उस की ठीक से व्यवस्था भी नहीं होती है। इसलिए एस्टेट ड्यूटी भी इसके साथ मिला दें, वही अधिकारी इस का भी एसेसमेंट करे और एस्टेट ड्यूटी के बारे में थोड़ा संशोधन भी कर दें। आज जो भी डायरेक्ट टैक्स ऐक्ट है उस में एस्टेट ड्यूटी सब से ज्यादा काम्प्लीकेटेड ऐक्ट है। उस में आवश्यक संशोधन करें। उस की सीमा वही रखें जो वेल्थ टैक्स की है। वही पुरानी 50 हजार की सीमा जब कानून बना था तब से चली आ रही है जब कि रुपये का

मूल्य गिर गया है, लेकिन उस की सीमा में कोई परिवर्तन नहीं किया गया है। उस में जो छूट है वह भी बहुत कम है। यहाँ तक कि इन्फ्लेस का जो पैसा मिलता है वह भी उस में जोड़ा जाता है। इसलिए वेल्थ टैक्स की छूट की जो सीमा है वही वही उसकी भी छूट की सीमा होनी चाहिए। वेल्थ टैक्स के लिए जो एग्जेम्प्लस हैं वही उसके लिए रखे जायें और एक ही कानून में दोनों को मिला दिया जाये—यह मेरा सुझाव है।

जनता पार्टी ने अपने चुनाव घोषणापत्र में यह वायदा किया था कि हम सेल्स टैक्स खत्म करेंगे लेकिन दो वर्ष समाप्त हो गए, अभी तक सेल्स टैक्स समाप्त होने की स्थिति देखने में नहीं आ रही है। इसके लिए पूरे देश में आन्दोलन चल रहा है कि सेल्स टैक्स को समाप्त किया जाए लेकिन अभी तक उस दिशा में कोई भी प्रयास नहीं किया गया है। अगर राज्य सरकार सेल्स टैक्स समाप्त नहीं करना चाहती तो केन्द्रीय सरकार ही कुछ पहल कर सकती है। अधिकांश प्राइमर्स जोकि प्राइमरी सेक्टर में पैदा होते हैं उनपर अगर केन्द्र की ओर से एडीशनल एक्साइज ड्यूटी लगा दी जाए तो राज्य सरकारें उन पर बिक्रय कर नहीं लगा सकती हैं। वर्तमान में दो चार चीजें हैं जिन पर एडीशनल एक्साइज ड्यूटी लगी हुई है और किसी राज्य सरकार को वह अधिकार नहीं है कि उन पर बिक्रय कर वसूल कर सके। तो ऐसी सैकड़ों वस्तुओं हो सकती हैं जिन पर आप एडीशनल एक्साइज ड्यूटी लगा सकते हैं। यदि उन पर आप एडीशनल एक्साइज ड्यूटी लगा देंगे तो फिर राज्य सरकारों को बिक्रय कर लगाने का अधिकार ही नहीं रह जायेगा। जिन वस्तुओं की आप एडीशनल एक्साइज ड्यूटी के अन्तर्गत शामिल कर लेंगे कम से कम उन वस्तुओं के सम्बन्ध में परेशानी डर हो जायेगी। केन्द्रीय सरकार इस कार्य को बड़ी आसानी के साथ कर सकती है। मैं चाहूँगा कि माननीय वित्त मंत्री मेरे इस सुझाव पर उचित ध्यान दें।

फाइनेन्स बिल में इनकम टैक्स के सम्बन्ध में जो बात है उस पर मेरा सुझाव है कि दस हजार की आयवनी तक पूरी तरह से छूट होनी चाहिए। अभी दस हजार की आयवनी पर टैक्स नहीं लगता है लेकिन आयवनी बढ़ने पर कर का जो निर्धारण होता है उसमें 8 हजार की आयवनी को छूट मानकर ही हिसाब लगाया जाता है। इस प्रकार से हिसाब लगाने में भी परेशानी होती है। मेरा सुझाव है कि 10 हजार की आयवनी पर पूरी तरह से छूट मिलनी चाहिए। 10 हजार से अधिक आयवनी होने पर भी प्रथम 10 हजार पर कोई भी टैक्स नहीं लगना चाहिए।

संयुक्त हिन्दू परिवार के साथ सौतेला व्यवहार होता आ रहा है। पहले संयुक्त हिन्दू परिवार के लिए छूट की सीमा व्यक्तिगत सीमा से दुगुनी होती थी लेकिन 5-7 साल पहले पिछली सरकार ने उनको समान स्तर पर कर दिया। इस दश में संयुक्त हिन्दू परिवार की एक विशेष व्यवस्था है, वह एक साझीदारी की फर्म जैसी है लेकिन उसको साझीदारी फर्म के कोई लाभ नहीं मिलते हैं। मेरा सुझाव यह कि संयुक्त हिन्दू परिवार में दो से अधिक विवाहित पुरुष होने पर छूट की सीमा 15 हजार होनी चाहिए और तीन से अधिक विवाहित पुरुष होने पर 20 हजार की छूट की सीमा कर देनी चाहिए अन्यथा जान बूझ कर उसको तोड़ना पड़ता है। इसलिए मेरा सुझाव है कि संयुक्त हिन्दू परिवार के लिए छूट की सीमा को बढ़ाया जाना चाहिए।

इसी प्रकार से वेल्थ टैक्स के मामले में पहले संयुक्त हिन्दू परिवार में छूट की सीमा, अगर व्यक्तिगत में एक लाख थी तो वहाँ पर दो लाख थी लेकिन अब उसको समान कर दिया गया है। वेल्थ टैक्स के मामले में भी संयुक्त हिन्दू परिवार के लिए, यदि दो से अधिक विवाहित पुरुष हों तो सीमा बढ़ा कर दो लाख कर दी जानी चाहिए। वित्त मंत्री जी ने वेल्थ टैक्स में ऊपर के स्लेब्स में जो बढ़ोतरी की है, उसका मैं स्वागत करता हूँ। पिछली सरकार का कदम समाजवादी कदम नहीं था, जबकि यह एक समाजवादी कदम है।

वित्त मंत्री ने इनकम टैक्स पर सरचार्ज को 10 परसेंट से बढ़ाकर 15 परसेंट कर दिया है। आज आवश्यकता इस बात की थी, सरचार्ज को एकदम पूरी तरह से समाप्त कर दिया जाता। इससे टैक्स कैलकुलेशन और कॉम्प्लिकेटेड बनता है। ऊपर के स्लेब्स वालों पर इतना टैक्स हो जाता है कि वे इमानदारी से टैक्स देना नहीं चाहते। इसलिए सरचार्ज को बिल्कुल समाप्त किया जाना चाहिए। न तो 10 परसेंट, न 15 परसेंट, इसको पूरी तरह से समाप्त होना चाहिए।

एक बात मैं यह भी कहना चाहता हूँ कि कन्ज्यूमर कोऑपरेटिव स्टोर्स के लिए एक विशेष व्यवस्था यह की गई है कि उनके लिए छूट की सीमा 40,000 रुपये कर दी गई है। मैं पूछना चाहता हूँ कि केवल कन्ज्यूमर कोऑपरेटिव स्टोर्स के लिए ही यह सीमा क्यों रखी गई है? जो एग्रीकल्चरल प्रोडक्ट्स मार्केटिंग सोसाइटी है, उसके लिए वह सीमा क्यों नहीं रखी गई है। आपने केवल कन्ज्यूमर्स कोऑपरेटिव स्टोर्स के लिए ही यह सीमा लगा दी लेकिन जो दूसरे क्षेत्रों में दूसरी ऐसी सहकारी संस्थाएँ हैं, जो ग्रामीण क्षेत्रों में और दूसरे अन्य क्षेत्रों में काम करती हैं, जो आर्टिजानल सोसाइटीज हैं, उन

कोऑपरेटिव सोसाइटीज की भी पूरी छूट प्राप्त होनी चाहिए। मेरा सुझाव यह है कि कोई भी कोऑपरेटिव सोसाइटी हो चाहे वह कन्ज्यूमर्स कोऑपरेटिव स्टोर हो या दूसरी कोई संस्था हो, उनको भी 20,000 रुपये की बजाए 40,000 रुपये की छूट होनी चाहिए और इस सीमा को आपको बढ़ाकर 40,000 रुपये सबके लिए करना चाहिए।

एडवान्स टैक्स का जहाँ तक सम्बन्ध है, एडवान्स टैक्स के बारे में रजिस्टर्ड फर्म के लिए एक नया संशोधन कर दिया गया है और वह संशोधन यह है कि पहले जिसकी आमदनी 30,000 रुपये से ऊपर होती थी, उसको एडवान्स टैक्स भरना पड़ता था लेकिन अब इसको कम करके 20,000 रुपये कर दिया गया है। इसके लिए कोई तर्क समझ में नहीं आता है। अब मान लीजिए कोई पार्टनरशिप है और उसमें दो, तीन या चार पार्टनर हैं, अब अगर 20,000 रुपये की सीमा आमदनी की है, तो अगर दो पार्टनर भी हुए तो एक पार्टनर के हिस्से में 10,000 रुपये आए और 10,000 रुपये की आप इनकम टैक्स में छूट देते हैं लेकिन अगर उन दोनों पार्टनर की आमदनी 20,000 से ज्यादा बढ़ जाए, तो उनको एडवान्स टैक्स भरना पड़ेगा। यह जो किया गया है, यह मेरी समझ में ठीक नहीं है। इस सीमा को 30,000 रुपये से घटाने की कोई आवश्यकता नहीं है और मेरा सुझाव है कि इसको 30,000 रुपये करना चाहिए या उससे अधिक बढ़ाना चाहिए।

इसी प्रकार से एनुयिटी डिपोजिट के बारे में भी कहना चाहता हूँ। बार बार यह कहा जाता रहा है कि एनुयिटी डिपोजिट को जो स्क्रीन है, यह केवल टेम्पोरेरी है। पहले यह दो साल के लिए थी। फिर इसको एक साल के लिए और बढ़ाया और अब फिर एक साल के लिए और बढ़ा दिया। इसका कोई औचित्य नहीं है। अब 15,000 से ज्यादा आमदनी वालों को, हर एक को एनुयिटी डिपोजिट करना पड़ेगा। यह ठीक नहीं है। अगर आप इसको आवश्यक ही समझते हैं तो कम से कम 20,000 रुपये इसकी लिमिट कर दीजिए। जिसकी आमदनी 20,000 रुपये से ज्यादा हो, केवल उन लोगों को बाध्य किया जाए कि वे एनुयिटी डिपोजिट जमा कराएँ और अन्य लोगों को इसके लिए छूट होनी चाहिए।

इसके अलावा कुछ छोटे छोटे संशोधन हैं। फार्म नं० 12 के सम्बन्ध में भी श्रीन और बिफोर ये शब्द जोड़े जाएँ। एडवान्स टैक्स में कई प्रावधानों में "श्रीन और बिफोर" वाले शब्द जोड़े गये हैं लेकिन फार्म नं० 12 में भूल से लिख दिया गया है "बिफोर रीडियस जून"। इसका मतलब यह है कि जो फार्म 30 जून की भी पेश करता है, तो उस रजिस्टर्ड फर्म को भी प्रनरजिस्टर्ड फर्म मान कर जिम्मेदारी डाल दी जाती है। यह ठीक करना बड़ी

[श्री रामच जी]

आवश्यक है। टेनिकल कारणों से करदाताओं पर ज्यादा टैक्स लगा जाता है। उदाहरण के तौर पर मैं यह बताऊँ कि हुए बार रजिस्टर्ड फर्म मानी जाने वाली कोई भी संस्था अगर देर से नक्का भरती है, तो जुर्माना भरने के लिए उसको अनरजिस्टर्ड फर्म माना जाता है और एक अनरजिस्टर्ड फर्म मान कर उस पर जुर्माना लगता है। पहले यह भूल हो गई है और वही भूल अभी तक चली आ रही है और इस टेनिकल गलती के कारण लोगों को सफर करना पड़ता है।

इसके अलावा मैं यह भी कहना चाहता हूँ कि अगर किसी रजिस्टर्ड फर्म ने अपना एडवांस टैक्स का रिटर्न देर से भरा हुआ है, तो उसको जो इन्स्टे देना पड़ता है, वह टैक्स से भी ज्यादा हो जाता है। यह बहुत छोटी सी बात है और इस प्रकार के संशोधन करने की बहुत आवश्यकता है। मैं यह निवेदन करूँगा कि इसमें संशोधन किया जाए।

इसी प्रकार से मैं यह भी कहना चाहता हूँ कि कभी कभी इन्स्टे की रकम, ब्याज की रकम टैक्स से भी ज्यादा हो जाती है। इस प्रकार का कानून बनना चाहिए कि ब्याज की जो रकम है, वह मूल टैक्स से ज्यादा न हो। यदि किसी करदाता ने पाँच साल पहले या दस साल पहले रिटर्न न भरा हो, तो उसको जो इन्स्टे देना पड़ता है, वह मूल टैक्स से भी ज्यादा होता है और इन्कम टैक्स अधिकारी इतना ज्यादा इन्स्टे उस पर लगा देते हैं। लेकिन ऐसा कहीं भी नहीं होता है कि मूल टैक्स से ब्याज ज्यादा लग जाए। इसमें संशोधन किया जाए और बाहे रजिस्टर्ड फर्म हो या बाहे इन्विजिबल हो, उसको टैक्स से ज्यादा ब्याज नहीं लगना चाहिए। यह एक बहुत आवश्यक संशोधन है, जिसका करना निश्चित जरूरी है।

एक बात और भी मैं कहना चाहता हूँ और यह वह है कि इस देश में काला धन बहुत बन रहा है लेकिन काला धन रोकने के लिए आप क्या कदम उठा रहे हैं?

वास्तव में कई स्थानों पर इन्कम टैक्स का जो पूरा खेज होता है, उसका ठीक ढंग से सर्वे नहीं हो पाता है। इसलिए मेरा निवेदन है कि इन्कम टैक्स इन्स्पेक्टर्स बढ़ाये जाने चाहिए ताकि सर्वे ठीक से हो। सर्वे ठीक से न होने से टैक्स इमेजिन होता है, और काला धन बढ़ता है। बड़े बड़े शहरों में—बिल्ली, बम्बई, कलकत्ता, मद्रास, बंगलोर में बहुत से लोग ऐसे होंगे जोकि एक लाख की आयपत्री करते हैं लेकिन टैक्स दस हजार पर देते हैं और बहुत से तो देते ही नहीं हैं। इसलिए मैं कहना चाहता हूँ कि इसको का जाए।

दूसरे मैं कहना चाहता हूँ कि कैरोसीन आयत पर एक्साइज ड्यूटी बढ़ाने का कोई प्रौचित्य नहीं है। कैरोसीन आयत का इस्तेमाल अभीर भावरी या शहरों में रखने वाले ही नहीं करते हैं। शहरों में तो बिजली भी है। इसका अधिकतर इस्तेमाल ग्रामीण क्षेत्रों में होता है जहाँ कि बिजली नहीं है। इसका बोझ उन पर पड़ता है जो कि कमजोर वर्ग के लोग हैं। आपने कहा कि यदि यह मिलावट के काम में लाया जा सकता है इसलिए इस पर एक्साइज ड्यूटी बढ़ा दी गयी है। लेकिन मैं इसे कोई तर्कसंगत बात नहीं मानता। अब पेट्रोल में भी कैरोसीन की मिलावट हो सकती है तो क्या आप कैरोसीन पर पेट्रोल की बराबर एक्साइज ड्यूटी बढ़ावेंगे? इसलिए मेरी जोरदार शब्दों में यह मांग है कि यह एक चीज गरीबों के हस्तमाल की है, इस पर से एक्साइज ड्यूटी कम की जाए।

आपने छोटे उद्योगों पर 30 लाख की सीमा को घटा कर 15 लाख कर दिया है। इसका कोई प्रौचित्य नहीं है। मेरी मांग है कि इसे तीस लाख ही किया जाए नहीं तो इससे जितने भी छोटे उद्योग धंधे हैं उनको बहुत चोट पहुँचने वाली है। इससे छोटे उद्योगों का तो अस्तित्व ख़िन्न रहा है। इसलिए मेरी मांग है कि इसे फिर बढ़ी किया जाए।

अन्त में मैं एक बात कह कर समाप्त कर रहा हूँ। हिन्दुस्तान के अन्दर जो सरकारी उपक्रम हैं, पब्लिक एम्प्लॉयमेंट्स हैं, इनके बारे में ठीक से विचार होना चाहिए। इनमें देश का 15 हजार करोड़ खपाया गया हुआ है लेकिन ये इस पूँजी के बचने में देश को क्या देते हैं? अगर इनकी मुनाफ में बचने की कोशिश की जाए तो आपको इनसे इतना लाभ हो सकता है कि आपको नये टैक्स लगाने की जरूरत नहीं पड़ेगी। आपको बार-बार टैक्स बढ़ाना पड़ता है, यह नहीं पड़ेगा। इसलिए मेरा सुझाव है कि इनकी ठीक से जांच की जाए कि ये बाटे में क्यों चल रहे हैं? उनके मुकाबले में ग्राइवेट ट्रेड तो बाटे में नहीं चल रहे हैं। अगर इनके मैनेजमेंट में बदल करने की जरूरत पड़े तो वह भी बदल की जाए। अगर मेम्बर आफ पार्लियामेंट को भी बोर्ड आफ डायरेक्टर्स में रखने की जरूरत हो तो वे भी रखे जाएँ। इस सब की गहराई से जांच होनी चाहिए और जो ग़लब हो उसे सख्ती से दूर किया जाना चाहिए। अगर इनका मैनेजमेंट इन ठीक कर सके और इनसे इन उचित मुनाफ़ा ले सके तो देश का बहुत बड़ा लाभ होने वाला है।

इन शब्दों के साथ मैं आपका धन्यवाद करता हूँ और धावा करता हूँ कि जो मैंने सुझाव दिये हैं उन पर विचार होगा।

SHRI K. S. VEERABHADRAPPA (Bellary): Mr. Chairman, Sir, I thank you very much for the opportunity given to me to speak on the Finance Bill.

First of all, I would like to point out that many vital ministries like Steel and Mines, Civil Aviation and Parliamentary Affairs have not been discussed and their Demands for Grants have not been voted by this House even during the last year, after discussion. It was not possible for us to discuss these Ministries even during last year. If this is the case, I am afraid, Parliament Members may find it difficult to ventilate the problems of their constituencies, which they really want to do effectively. So, at least I request the hon. Parliamentary Affairs Minister about one thing. Hereafter the Hon. Parliamentary Affairs Minister should take up those guillotined Ministries first for discussion in the next year's budget, and then only the other Ministries should come. This is my considered view and I hope that the hon. Minister for Parliamentary Affairs will do the needful in this regard at least next year.

Now I come to vital subjects. I do not want to say anything much about the taxation. The most important things for a nation is steel. A country's economy is measured by steel, and country's wealth is measured by the Steel production which it has. But unfortunately what has happened in this country is that the Government had neglected the new steel plants which have been coming up in the new areas where the projects are ready to take off stage. In my constituency, the Vijayawada Steel Plant which was to come up seven years back, till today, it has reached nowhere. The Government, it seems, is now thinking politically in a different way. The Janata Government, in fact, is ruling the country on the basis of political vendetta. I can boldly say that this attitude of political vendetta is responsible for the

slow progress of Steel Plants in the South. The total cost of Vijayanagar Steel Plant is expected to Rs. 1580 crores, whereas the Government was generous enough to allot only Rs. one crore last year, and this year also they have earmarked the same one crores, whereas the Government was Steel Minister, Shri Biju Patnaik, wants to complete this Steel Plant in 1500 years, thinking that he will still be continuing as Steel Minister to complete the steel plant. If that is so, it is a fool's paradise. I have strong apprehensions that this Government has decided to look towards Vijayanagar Steel project on the basis of their political vendetta.

The other day when our Prime Minister visited Bangalore to meet Shri Kanchi Swamiji who was camping at Thoranagallu which is the heart of Vijayanagar Steel Plant area, and when the press people asked the Prime Minister as to what happened to this Steel Plant, I am sorry to say, he told them that they should ask the person who had laid the foundation. Is that the way for a responsible Prime Minister to give such an answer on a vital question like this. Is it not the overall development of the entire country involved in this steel industry? It is very obvious that the Janata Government has taken a decision not to go ahead with this Steel Plant because of political vendetta against Karnataka State.

During the election campaign, for Chikmagalur seat, Shri George Fernandes, Minister for Industry told the people there, that the proposal for Vijayanagar Steel Plant has been shelved, and that Mangalore Steel Plant is coming up. That was just with an idea to attract votes for the Janata Party for the Chikmagalur seat. He, however, failed there miserably. Further, on the eve of the Commonwealth Industry Ministers Conference, Shri George Fernandes said that the Mangalore Steel Plant will come up with the collaboration of French Government at a cost of Rs. 4500 crores. I would like to ask

[Shri K. S. Veerabhadrappa]

the Government if the Industry Minister can get Rs. 4500 crores for Mangalore Steel Plant, why not Rs. 1500 crores for Vijayanagar Steel Plant can be raised from foreign companies? It really indicates that the Central Government is really against the Karnataka State. This is because the people of Karnataka have not voted for the Janata Party neither in Parliament nor in the assembly elections. That is why, their attitude towards Karnataka is like this.

Now, in the annual report of 1978-79 of the Ministry of Steel & Mines, it is mentioned that the Vishakhapatnam Steel Plant is coming up with the collaboration of USSR, while Paradip Steel Plant is coming up with the collaboration of West Germany. If these Steel Plants are coming up with the foreign collaboration, why not Vijayanagar Steel Plant also? Why are they neglecting it? Karnataka State has got adequate resources of iron ore, limestone, dolomite etc. in the vicinity to the Vijayanagar Steel Plant. I would, therefore, make an earnest appeal to the Government of India that instead of taking a political decision, against the Vijayanagar Steel Plant, they must take a decision considering the overall development of the country in general and Karnataka in particular regarding steel production in the country. For your information, Sir, I want to point out that the DPR has been prepared and submitted to the government. The techno-economic feasibility report for the setting up of an integrated steel plant at Tarangallu (Vijayanagar Steel Plant) was submitted by the CEDB, now BECON, in January 1972. After clearance from the Public Investment Board, MECON prepared and submitted a detailed project report during April 1977. The DPR envisages the commissioning of the plant in two over-lapping stages keeping in view the need for continuity of work and avoidance of infructuous expenditure. The first stage will be for the production of 785,500 tonnes of billets

per annum and the second stage for 880,000 tonnes of billets and 1.735 MT of hot rolled flat products in addition to its bye-products like ammonium sulphate, benzene, road tar, etc. amounting to 8,30,000 tonnes which will also be for sale. The site for Vijayanagar Steel Plant is ideally located in respect of availability of all raw materials required for an integrated steel plant except coking coal. If it is decided to use imported coking coal, it can be transported by rail to Torangallu via Madras or Goa. In the case of Madras, the wagons transporting iron ore by M.M.T.C. for export can be used since they are empty on their return. Every year MMTC is exporting 3 million tonnes of iron ore and the wagons which carry iron ore return empty. If coal is imported, these wagons can be used to carry coal to the steel plant direct.

Kumaraswamy deposits will be the source for iron ore and Bagalkot for limestone and dolomite. Water for the plant will be drawn from the Tungabhadra reservoir. With the commissioning of further units of Kalinadi and Shravathy hydro-electric projects and the Raichur and Ramagundm thermal power plants, the power requirements of the steel plant can be met. In addition there is provision for inplant generation to meet the essential loads of the plant.

The employment potential during the peak period of construction would be about 50,000 and about 25,000 during operation. In addition to creation of employment opportunities, starting of the steel plant will give a tremendous boost to the economic development of the region as a very large number of ancillary industries also will spring up. This will also provide opportunities for import substitution, saving in foreign exchange and utilisation of indigenous resources. From this report one can understand how important this plant is and how feasible it is. It should be taken up for implementation.

This budget is said to be rural oriented, kisan budget. I am afraid that the farmer is not going to be benefited much. He can get a saving of Rs 5 per bag of fertiliser and nothing else. If really they want to help the farmer, they should bring in crop insurance scheme to cover small and marginal farmers. If they have to depend upon the rain for their crops, the farmers are put to great difficulty. Rural oriented crop insurance scheme will help the farmers. Similarly in SFDA one irrigation well for each family should be taken up so that they can have assured crop, otherwise if they have to depend upon the rains, they have no fortune and the rural budget will be of no benefit to farmers.

Many hon. Members have requested the Finance Minister to reduce excise duty on kerosene. I also joint them because it is the common man's commodity and it really needs exemption from excise duty. In Karnataka octroi has been abolished and our government is in need of central assistance. Merely because Karnataka government has already abolished octroi it should not be denied central assistance. I earnestly request that the central government should encourage such states that abolish octroi and they must immediately go to their rescue so that such states can give aid to the respective municipalities and corporations.

I would once again request the Deputy Prime Minister and the Finance Minister to provide in Consultation with the Steel Minister, adequate funds to the Vijayanagar Steel Plant and sanction the Project, which is on the take off stage.

श्री हीरा भाई (बांसवाड़ा) : सभापति महोदय, मैं विल विधेयक का समर्थन करने के लिये खड़ा हुआ हूँ। हमेशा जो हमारा बजट बनता था, उसमें और आज के बजट में बहुत फर्क है। अब 40 और 60 परसेंट का देहात के लिये

मार्जिन रखा है, इसलिये हमें उम्मीद है कि यह जो विकास आया है इससे शहर देहात की पैदावार होगी तो शहरों की भी आमदनी होगी और उसके आधार पर हमारा विकास होगा।

एक बात मैं जरूर कहूंगा कि देहात के विकास करने में कई तरह की रुकावटें हैं। उदाहरण के तौर पर मैं बताता हूँ कि जिस रूरल एरिया से मैं आता हूँ वहाँ की परिस्थिति क्या है। शहर छोटी सड़क बनानी है, एक सड़क से दूसरी सड़क मिलानी है तो वहाँ पर मापदण्ड यह रखा है कि 15 हजार तक की आबादी हो या 1500 की आबादी हो, तब सड़क बन सकती है। इस आधार पर हमारे आदिवासी रूरल एरिये में ग्रामीण विकास का काम केवल कागजों पर ही रह जायेगा। शहर आबादी को आधार बनाया जायेगा और उससे हम विकास का काम करेंगे तो इस बजट से कुछ नहीं होगा। सिर्फ बातों और नाराओं में ही सब कुछ रह जायेगा।

हमारे यहाँ 1 लाख की आबादी के एरिय में 1 प्रतिनिधि चुनकर आता है लेकिन वहाँ की आबादी की गिनती में वह नहीं है। शहर रूरल एरिये में आबादी की गिनती और प्रांकों से काम करेंगे, तो उससे हमें कैसे विश्वास हो जायेगा कि विकास हो सकेगा।

मैं मंत्री महोदय से यह भी कहना चाहता हूँ आप ग्रामीण विकास के बारे में बहुत बढ़िया काम करने जा रहे हैं, उसमें आपकी दिलचस्पी है, लेकिन कानूनी जो रुकावटें हैं उनमें भी जब तक आप सुधार नहीं करेंगे तब तक यह देहात का विकास केवल कागजों में रहेगा।

अब मैं शिक्षा के बारे में बताता चाहता हूँ, मैं बांसवाड़ा, हुंजरपुर से आता हूँ, वहाँ क्या हुआ है? राजाओं के टाइप से हमारे यहाँ के आदिवासी लोग पढ़े-लिखे नहीं हैं। न वहाँ स्कूल थे और न कॉलेज थे। कांग्रेस की हुकूमत में भी हायर सिकेंडरी स्कूल और कॉलेज नहीं थे। उसके बाद अब 2 साल में सिकेंडरी स्कूल जरूर खुलवाये गये हैं। इसके लिये हमारी जनता सरकार बधाई की पात्र है, लेकिन मैं जानना चाहता हूँ कि सिकेंडरी पढ़ने के बाद वहाँ विद्यार्थी क्या करेंगे? एक तरफ शहरों की शिक्षा है जहाँ कि डिग्री कॉलेज हैं या दूसरे प्राइवेट विद्याविद्यालय हैं, वहाँ लोग अपनी पढ़ाई करेंगे, शिक्षित बनेंगे। दूसरी तरफ देहात में शिक्षा प्रणाली में एक रुकावट पैदा कर दी गई है कि जहाँ 15 हजार तक की आबादी वाला क्षेत्र होगा या कस्बा होगा वहीं हायर सिकेंडरी स्कूल खोले जायेंगे। उसके साथ साथ कॉलेज के बारे में आज क्या परिस्थिति है? जिस क्षेत्र के लोगों को हुजरा रो रक्षा शिक्षा की सुविधा उपलब्ध नहीं थी, जहाँ आज बारह, तेरह सौ लड़के हायर सिकेंडरी पास कर

[श्री हीरा भाई]

के भटक रहे हैं, वहाँ के लिए पांच साल के इस नियम को हटा देना चाहिए। अगर एक इन्सान शिक्षा प्राप्त करके दूसरे इन्सान के बराबर बनना चाहता है, तो उसको वह सुविधा न देना अन्याय है। मैं शिक्षा पद्धति में परिवर्तन की बात मान सकता हूँ, लेकिन यह जो रोक लगा दी गई है, कि पांच साल के लिए कोई कालेज नहीं खोला जायेगा, उसका क्या मतलब है? जहाँ पचासों सालों से कालेज चल रहे हैं, वे तो चलते रहेंगे, तो फिर आदिवासी एरियाज में इस रुकावट की क्या जरूरत है, जहाँ कोई भी कालेज नहीं है?

इस हालत में हम कैसे दावा कर सकते हैं कि हम गैर-बराबरी की खाटा खाई को पाटने जा रहे हैं। हमारा वह नारा बिल्कुल थोथा है। शिक्षा मंत्री सबन में नहीं हैं, इसलिए मैं मंत्री महोदय से अर्ज करूँगा कि इस बात का बिल्कुल खुलासा होना चाहिये। देश में जो डिग्री कालेज और विश्वविद्यालय हैं, अगर उनको बन्द कर दिया जाये, तब तो मैं मानूँगा कि हमारी शिक्षा पद्धति में परिवर्तन हो रहा है। मगर सरकार की नीति यह है कि जो कालेज और विश्वविद्यालय चल रहे हैं, वे तो चलते रहें, और जब आदिवासी एरिया में लोग कालेज खोलने की मांग करते हैं, तब सरकार कहती है कि हम ने इस पर पांच साल के लिए अंकुश लगा दिया है।

इसका अर्थ तो यह है कि जहाँ हम पहले थे, वहाँ ही रहे। हम पिछड़े हुए लोग थे और पिछड़े हुए माने जाते थे। अब शहरों के मुकाबले में हम और भी पिछड़ जायेंगे। हमारे प्रधान मंत्री जो बार-बार कहते हैं कि निडर बनो। जब तक एक व्यक्ति दूसरे व्यक्ति के मुकाबले में डोमियार नहीं होगा, तब तक वह निडर कैसे होगा? इसलिए कम से कम इस पांच साल वाले नियम को हटा देना चाहिये।

सभापति महोदय : माननीय सदस्य अपना भाषण कल जारी रखें।

The House stands adjourned to re-assemble at 11 A.M. tomorrow.

18 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Wednesday, April 25, 1979/Vaisakha 5, 1901 (Saka).