

THE MINISTER OF HOME AFFAIRS (SHRI Y. B. CHAVAN) : Sir, About 2.30 PM today (13-3-68) Chief Justice Hidayatullah was dictating the judgment in a case No. 162/65, namely, State of Gujarat versus Chunnibhai Gopaldas. There were two justices of the Supreme Court on either side—Justice A. N. Grover on the left and Justice C. A. Vaidyalingam on the right. Besides there were two court masters, who were also on either side of the Justices, one of them taking down the dictation while the other was watching. Suddenly the assailant rushed upon the dais of the court room with an open knife in his hand. As he approached the Justices, one of the court masters moved to a side avoiding the assailant and immediately he jumped on the table in front of the Chief Justice. The Chief Justice took hold of a heavy article on the table presumably with a view to defending himself. However the assailant turned his attention to Justice Grover, jumped on him and both fell down. The Librarian, one of the writer masters and the Chief Justice grappled with the assailant and caught hold of him.

Justice Grover was immediately removed to the hospital whose authorities have informed that Justice Grover received a superficial wound on the scalp which has been stitched up and he is out of danger. He is, however, being requested to rest in the hospital for observation.

The assailant's name as ascertained from him is Manmohan Das s/o Gopalcharan Das, village Chhutkalia, P.O. Jangipur, Distt. Murshidabad, West Bengal. The Inspector General of Police is personally supervising the investigation of the case along with a team of senior police officials. Adequate security measures for the protection of the judges of the Supreme Court have been taken.

SHRI NAMBIAR (Tiruchirappalli) : Sir, this is a very serious incident, and it has occurred for the first time. I request that an opportunity must be given, at least tomorrow, to discuss it, because this is for the first time that a Supreme Court judge has been stabbed,

and we will have to consider this question.

MR. SPEAKER : Yes.

SHRI D. C. SHARMA (Gurdaspur) : It is a very rare thing that has been heard of in this country as well as from any other country. I think we must take serious note of it.

MR. SPEAKER : All right, Mr. Sharma.

SHRI G. S. DHILLON (Taran Taran) : I have been shocked to learn of this from the Home Minister. Justice Grover comes from Punjab and he is an old friend of mine, and it is really very shocking that such a thing has happened. The incident has robbed me of my mood to speak and I do not want to continue the speech. I will take up the subject at the time of the discussion of the Finance Bill or Demands.

GENERAL BUDGET—GENERAL DISCUSSION—Contd.

SHRI M. N. REDDY (Nizamabad) : Sir, I welcome the budget taking it on its own merits, because compared to the previous budgets, it is much better and it has given greater attention to agriculture as well as defence and defence personnel. For that reason, I appreciate the good intentions of the Finance Minister.

18.5 Hrs.

[MR. DEPUTY-SPEAKER in the Chair]

At the same time, the unanimous opinion of the members is against the postal levies and I hope they will be withdrawn. Otherwise, the whole debate on this point will become farcical and pointless. This levy has been made to yield some Rs. 24 or Rs. 25 crores only, presumably on the recommendations of the P & T Tariffs Enquiry Committee that the postal department should pay its own way. To increase the levies in such matters is an easy thing and may perhaps be considered a painless remedy, but I suggest that this small amount could be made up by better management by effecting economies in the department

[Shri M. N. Reddy]

itself. I hope the Finance Minister would give attention to this aspect. Instead of increasing this levy, he can as well increase the price of revenue stamps and realise this additional revenue.

Our Finance Minister is well known for his principled disciplined life. I would ask him one simple question about taxation. Tax arrears have accumulated to the extent of Rs. 560 crores as on 31st December, 1967. Most of these arrears are from big companies, big capitalists, film stars, etc. who are known to have a lot of black money and who can easily pay it. What is preventing the Finance Minister and the Government as a whole from realising these arrears? He owes an explanation to the House and to the country. Having levied many taxes in the past, is it proper not to collect them and go on increasing the taxes every year? Is it morally correct for the Finance Minister to do so? That aspect has to be seen. If these taxes are collected properly, neither fresh levies nor deficit financing will be necessary. What I am concerned with is the effect this would have on the general morale of the people. The impression which the poor people will have is that this is a Government which levies many graduated taxes on paper, only to allow them to be evaded in practice and that the poor people alone are made to pay the taxes, while the rich people evade the taxes with the connivance of the income-tax department and other departments. It is not only a question of revenue, but it is a question of the feeling of helplessness, injustice and oppression that is created among the people which should be guarded against. For this purpose, even if we have to spend Rs. 50 crores in a year or two, only for the purpose of realising the tax arrears, it would be worthwhile. That is my appeal to him.

I submit, Sir, what are these officials like Special Secretaries, Officers on Special Duty and so many other administrative officers doing in the various departments of the Government? These arrears should be collected on an

emergency basis, on "a war footing" putting a number of officers who are surplus in the various departments of the Government. We have to create a separate Enforcing Department consisting of those officers to collect these arrears. I hope the Finance Minister, not only in his reply to this debate but also from time to time during the financial year, will be in a position to tell the House and show to the House the progress made in this behalf. Otherwise, this Government or, for that matter, any Government has no authority, moral or otherwise, to impose new taxes without collecting several hundred crores of tax arrears.

We have had a Taxation Inquiry Committee headed by Shri Mathai in 1953 or 1954. After that we had a number of committees or reports like Kaldor's report which gave us wealth tax, gift tax and so many other innovations in the tax structure, the Law Commission's recommendation regarding simplification of the procedure and the recommendations of the Administrative Reforms Commission which perhaps may be considered very shortly.

Mr. Deputy Speaker, since 1954, during the last fifteen years, taxation has increased so much that excise duties which constituted about Rs. 94 crores in 1954 are now about Rs. 1300 crores, an increase of nearly 14 times. Similarly there has been manifold increase in other taxes. The time has come when we should have another high-power commission for examining whether we can shift the burden from one sector to another, whether we can increase or decrease in a particular manner or on particular sectors and all that. It is high time that such a commission is appointed. I appeal to the Finance Minister to examine this matter very seriously and see that such a commission is appointed.

I am not very much bothered whether some amount is added here or decreased there. That is not the point that should be considered. I do not suffer from my ideological bias or predilections or inhibitions. I consider things on their own merits. Whatever

Government may be there, even if this Government is changed and some other Government—let it be even Shri Nambiar's Government—is there, a change in the Council of Ministers is not going to make much difference to the country and the common man. It is the administrative machinery, the bureaucracy that has to change and improve. To whatever party the Government may belong, the image that is projected to the common man right from the village to the town is through the bureaucrats and the administrative machinery. It is not merely a change of the Council of Ministers that would make much difference in a country like ours in the present state of economy. Unless this administrative machinery is streamlined, made efficient and more active and energetic, it does not make much difference whether some tax is increased or decreased. That is the point that I would like to make, and also appeal to the Finance Minister as well as the Home Minister to consider this because the way the present bureaucrats are working deserves a close scrutiny.

After the advent of planning a crore, five crores or ten crores or even hundred crores do not mean anything to us. It is only when several thousand crores are involved it means something to us because we have been tuned to that type of planning and ideas.

Now I would like to point out certain fundamental and basic things that have come after the fourth general elections. The complexion of the various State Governments has changed. Then, the recent incidents, happenings and events in various States may undermine the very faith of the people in the democratic way of life. Because, the irresponsible and undignified way in which the representatives of the people are conducting themselves in various Assemblies, that is going to ruin the country. It is in this respect the Congress Party, being an old, well-organised and disciplined party, should set an example to other parties. It is for this reason that I say

that they should not be guided by some political expediency of a particular situation and strike some sort of alliance with defectors and people of that type. They can have coalitions with other parties, by all means. They could have done it in West Bengal, Bihar, Uttar Pradesh and in so many other States, because there can be a temporary alliance between two parties with certain understanding. If that had been done very seriously, the situation would not have come to the present pass.

Now I would like to point out certain anomalies in the working of the public sector undertakings, about which so much has been said. It is not only for want of funds or proper returns alone that I say that the public sector undertakings should not be expanded. My reason is different. We have no personnel to manage these public sector undertakings, because we have no Indian management service which can work on commercial principles.

MR. DEPUTY-SPEAKER: He should conclude now. He has already taken his full time, as he will see from the records.

SHRI M. N. REDDY: If you so desire, I will continue tomorrow.

MR. DEPUTY-SPEAKER: No, he should conclude just now.

SHRI M. N. REDDY: Then give me another five minutes.

MR. DEPUTY-SPEAKER: It is not as if he is not making a good contribution to the debate. But he can take another opportunity. I am pressed for time.

SHRI M. N. REDDY: I will try to be very brief. Our economy is essentially an agricultural economy. 80 per cent of our people are engaged in agriculture. Yet, agriculture was neglected so far. In this budget, I am happy to say, something more has been provided for agriculture, which is a welcome feature. Here I want to point out one thing. We have been relying too much on major irrigation projects without giving proper attention to minor irrigation projects. I will give only one example

MR. DEPUTY-SPEAKER : He has already exceeded his time. As I have already told him, I will have to accommodate others also.

SHRI M. N. REDDY : Sir, I have taken only 7 minutes.

MR. DEPUTY-SPEAKER : It is no use arguing with me. He can see from the records how much time he has taken. He should conclude in one sentence.

SHRI M. N. REDDY : In regard to Nagarjunasagar I would like to make one point. It was estimated to cost Rs 91 crores in the beginning. It is now costing us Rs. 161 crores, a difference of about Rs. 70 crores. Nothing has been added to it; no additional work has been added. The increase in expenditure is only because of the delay in giving funds in completing work. Secondly,....

MR. DEPUTY-SPEAKER : He has taken more than his due. He is depriving other members of their opportunity. He should conclude.

SHRI M. N. REDDY : I want only two more minutes.

MR. DEPUTY-SPEAKER : He should conclude here and now.

SHRI M. N. REDDY : By this scheme 22 lakhs acres of land is supposed to be irrigated. What I want to point out is that I come from a place where there is a project known as Nizam-sagar project for the last 35 years. But people do not know about it. We have been told that if Nagarjunasagar is completed, it will irrigate 22 lakhs acres. It is a major project. But by the time the entire area is developed it will take several decades. And in the meanwhile the Reservoir gets silted up as is in the case of Nizamsagar. Therefore, we should give more attention and funds to minor irrigation projects, which are very necessary, in Andhra Pradesh and in other States.

MR. DEPUTY-SPEAKER : Dr. Maitreyee Basu.

श्री रामावतार शास्त्री (पटना) : उपाध्यक्ष महोदय, सदन में कोरम नहीं है।

MR. DEPUTY-SPEAKER : I am helpless then. If he withdraws, it is all right. Otherwise, I am helpless.

SHRI NAMBIAR : He is not raising it.

MR. DEPUTY-SPEAKER : It is all right then. The other day also that happened. It is a question of procedure. Dr. Maitreyee Basu.

DR. MAITREYEE BASU (Darjeeling) : Mr. Deputy Speaker, Sir, the Hon. Speaker has very aptly described the pathetic condition of hon. Members here, waiting and waiting, to get an opportunity to speak. This is an endurance test and I have passed.

Sir, this is a Budget which is a deficit Budget and which has been criticised and explained away and so on and so forth. I frankly admit that deficit Budget or balanced Budget or surplus Budget is not a question here. I am quite sure that Shri Morarji Desai is much more competent to decide whether there should be a deficit Budget or a surplus Budget or a balanced Budget or whatever it is. It is not that. It is the trend inside the Budget which I am going to mention and which has really caused me pain.

The Budget proposals under discussion have paved the way to concentration of more economic power in the private sector. It has been intended to give a fillip to the industry. I say more because concentration of economic power during the three Plan periods has been amply demonstrated by three successive enquiries made by the Government itself, namely, Mahalanobis Committee Report on the first Plan Decade, Monopolies Enquiry Commission's Report up to October, 1965 and Dr. Hazari's recent Report which has currently caused so much commotion.

The Monopolies Commission's Report, in Chapter II, page 3, para 1, says :

"The causes of concentration of economic power in private hands and the attendant phenomena of restrictive and monopolistic practices are many and varied. In the remote past, concentration of economic power, in our country as also in foreign lands, flowed largely from kingly favours. As political democracy came more and more into its own, this source shrank in importance. This is not to say that the favours of the big men in politics—whether Minister in the Government or not—do not still play their part in concentrating economic power in the hands of a few persons."

So, the Ministers and other big people are helping in the concentration of economic power, not said by anyone of us insignificant people but by the Monopolies Commission itself.

The other factors are the following, namely, technology's part in reducing cost of production thus giving more profit to the corporate sector, the use of the "Economy of Scale", that is, large scale production made possible by technological progress and large capital also being a very important factor. The interlocking of Directorship in distributing and marketing, etc. leads to concentration of economic power, as is known to everybody.

Now, by reducing surtax from 35 to 25 per cent, abolition of Dividend Tax, raising the Development Rebate to 35 per cent for the cost of new equipment, etc. etc., abolishing the Annuity Deposit which caused clapping of hands in some of the Opposition Benches, namely, the Swatantra Members, the road to more concentration of economic power has been made a fourlane road in the place of a previous two-lane one.

The very thought of seed producing industry as proposed gives me the jitters. Who does not know what happened in England in the 17th and

18th centuries by providing opportunities to the wool producers in the name of national economy by Enclosures Act. Now, for better seeds. Birlas have already acquired thousands of acres of arable land in certain States. In the already unequal distribution of land as shown by the eighth round of the National Sample Survey in 1959-60 the top 10 per cent households hold 56 per cent of the land in rural areas, the entry of the corporate sector in seed production may have the same effect in varying degrees on our long suffering peasant population. A new era of misery will begin which may break the camel's back.

Our socialist Transport Minister has set up a Commission for the port and dock industry with very laudable objects, no doubt. He waxed eloquent in his attack on the Swatantra Party's stand in his speech yesterday when he treated this House as a primary school for classical economics. But in this Commission he has nominated three M.P.s, amongst whom the doyen of the Swatantra economists, namely, Shri N. Dandekar, figures prominently. Incidentally, he has carefully avoided some M.P.s who know ports and docks well because they may hold inconvenient economic ideas: one is, for example, Mr. Indrajit Gupta, and the other is the poor present speaker, because Mr. Indrajit Gupta belongs to the Communist Party and I am supposed to be a renegade from the ruling Party.... (Interruptions). That is why, I have been thrust out.

Our socialist Transport Minister was a member of the Mahalanobis Committee. He has signed a report of shocking revelation of concentration of economic power in a few hands, but in spite of this, he tried to paint a picture as if all our misfortunes started during the last four or five years, knowing full well what had been revealed in the first decade of planning. Strange indeed!

Most of the blames for our present predicament have been laid at the

[Dr. Maitreyee Basu]

doors of Chinese and Pakistani aggression, by many members. Droughts, floods and all those and come in very handy. No doubt, these two most unjust attacks on our land have increased our misfortunes. But are they the main causes? Who has consumed the lion's share of 42 per cent of the increase of national income during the two Plan periods up to 1960? China attacked only in 1962 and Pakistan attacked in 1965.

If the available figures of concentration of economic power are correct, what has happened to this 42 per cent which fell mostly into the hands of the kings of industry? Could this increase not have gone to help capital formation and expansion of industry?

The price of raw jute in the north-eastern part of the country is anybody's guess. The jute kings are still the ruling princes and they hold the whole rural producers of raw jute to ransom.

The peasants need seeds in time—I say, seeds, not even improved seeds. In the name of improved seeds, Birla may come in. They want water through infinitesimally small irrigation projects. They need insecticides and they want manure and fertilisers. But seeds come when the season is over or they do not come at all. All water which could be saved is allowed to run waste. Fertilisers go to the Race Courses where turf clubs need soft grass for the tender hooves of their multi-thousand rupees worth Race horses. The national press publishes photographs of horse-owners receiving trophies from prominent public figures. And cowdung burns in the fire-places of rural homes for want of soft coke whereas mine workers are retrenched as coal has no market. Diesel economy is introduced causing further gap in our trade balance.

Our Government does not know that an unemployed man costs more to a nation than an employed one. At least our socialist Transport Minister knows that. But in spite of that, retrench-

ment is going on. By introducing diesel engines, diesel locomotives in the port and cutting down all the steam engines etc. he is retrenching his own staff. Mechanisation leading to the logical corollary of automation is being allowed throwing more and more men out of employment. And yet the fact that thermal plants and coke ovens could help create more employment is either forgotten or intentionally not implemented in practice.

The socialist Transport Minister has lamented over inadequate private savings. Where does he expect the savings to come from? That the rural sector has no saving capacity, apart from the *jotedars* is known to everybody. And if retrenchment is effected and workers are losing jobs by hundreds because of these tendencies in the Government and the employment market and they become jobless, surely they cannot be participants in the private savings which constitute the back-bone of all economics in any country.

Though I do not oppose the budget, yet I criticise the budget with the hope that some persons at least will pay some attention to these factors and realise that Government cannot expect savings from the common man unless more jobs are created and the kisan is given help.

MR. DEPUTY-SPEAKER: Now, Shri Dattatraya Kunte.

SHRI NAMBIAR: Now, we have to take up the half-an-hour discussion.

SHRI DATTATRAYA KUNTE: Mr. Deputy-Speaker, Sir.....

MR. DEPUTY-SPEAKER: The hon. Member may resume his speech tomorrow.

BUSINESS ADVISORY COMMITTEE SIXTEENTH REPORT

THE MINISTER OF PARLIAMENTARY AFFAIRS AND COMMUNICATIONS (DR. RAM SUBHAG SINGH): I beg to present the Sixteenth Report of the Business Advisory Committee.