

[Mr. Speaker]

direct, two members from among themselves to serve as members of the Indian Central Sugarcane Committee, subject to the other provisions of the said Rules and Regulations."

*The motion was adopted.*

12:42 hrs.

ESTATE DUTY (AMENDMENT)\*  
BILL

**The Minister of Finance (Shri Morarji Desai):** I beg to move for leave to introduce a Bill further to amend the Estate Duty Act, 1953.

**Mr. Speaker:** The question is:

"That leave be granted to introduce a Bill further to amend the Estate Duty Act, 1953."

*The motion was adopted.*

**Shri Morarji Desai:** Sir, I beg to introduce† the Bill.

12:43 hrs.

FINANCE BILL—contd.

**Mr. Speaker:** The House will now proceed with further consideration of the following motion moved by Shri Morarji Desai on the 20th April, 1960, namely:

"That the Bill to give effect to the financial proposals of the Central Government for the financial year 1960-61, be taken into consideration."

I suggested originally eight hours for the general discussion....

**Shri Braj Raj Singh (Ferozabad):** We may have ten hours.

**Mr. Speaker:** Hon. Members wanted nine hours. Then, I said that I would consider. In that case, we shall have three hours for the clause-by-clause consideration. If the House so desires, we shall increase it to nine hours. So, we have three hours from now; it is 12:40 now. How long will the hon. Minister take?

**The Minister of Finance (Shri Morarji Desai):** Not more than an hour in any case.

**Mr. Speaker:** We will carry on upto 3 with this discussion and I will call upon the hon. Minister at quarter to three and he can go on till 3:40.

**The Minister of Parliamentary Affairs (Shri Satya Narayan Sinha):** The whole thing should be finished by 6:40. There is a one-hour discussion after it.

**Mr. Speaker:** This will go on till 6:40 and thereafter we shall take up the one-hour discussion.

Now, Shri P. C. Borooah may continue his speech.

**Shri P. C. Borooah (Sibsagar):** Sir, in rising to take part in the discussion on the Finance Bill, I would first like to congratulate the hon. Finance Minister for his tax proposals so far as they reflect some relief to companies in the matter of direct taxation. The changes proposed must have come from a growing realisation of the fact, that the various forms of direct taxes have produced a disincentive effect on their functioning.

I have been feeling that our present procedure for considering the Finance Bill in this House is not quite effective. It not only contains various new financial proposals of the Government for acceptance by the House, but also offers amendments to

\*Published in the Gazette of India Extraordinary Part II—Section 2, dated 21-4-60.

†Introduced with the recommendation of the President.

the different taxation laws. As such the procedure for considering such an important Bill in this House, is of vital interest to us all here. We consider the Bill in a very general manner on the floor of the House. What is being done now is that, the Finance Minister after introducing the Bill, goes on feeling the pulse of the House in the course of discussion on various stages of the Budget, and generally makes some adjustments here and there at the time of the discussion on the Finance Bill. It is not referred to any Select or Standing Committee as is done in the case of other important Bills. Here, I feel, lies the defect of our present procedure so far as budgetary system is concerned. As far as I could gather, in most of the advanced countries there is a standing or select or such other budgetary committee of the House to consider the Budget proposals of the Government. For example there is a standing Budget committee in Japan, a permanent finance committee in Belgium, a standing finance committee in Denmark and in France, a permanent Budget committee in Germany, a permanent committee of Finance and Treasury in Italy, expert committee in Netherlands, a Finance and Custom committee in Norway joint Budget committee in Sweden, Budgetary committees in U.S.S.R.; and U.S.A. they are known as Standing committee on Finance in the Senate and Standing Committee on Ways and Means in the House.

**Mr. Speaker:** The hon. Member may come a little forward. He is not audible to the Reporters at the Table.

**Shri P. C. Borooah:** Sir, in our country also, the Direct Taxes Administration Enquiry Committee has recommended that all the substantial changes in the taxation laws should be effected through specific amending Acts which would provide an opportunity for detailed consideration by Parliament, instead of through Finance Bill as at present.

I feel that without any radical change in our present procedure, the

Finance Bill can easily be referred to a Select or Standing Committee immediately after its introduction. There will be enough time for its detailed scrutiny and examination by the committee. The report of such committee will definitely form a better basis for consideration of the Bill by the whole House.

Then again, so far as the expenditure side is concerned, we have devised an effective system of control by this House, by the Public Accounts Committee, Estimates Committee and other ad hoc committees, but we have none to control the revenue side of the Budget. I feel that it is equally important to have an effective control of the House over the revenue measures also and as such I would like to suggest for consideration of the hon. Finance Minister the constitution of some Select or Standing Committee of the House for the purpose.

Coming to the direct taxation proposals, one can easily see that the financial proposals of the Government are now governed by the need for increased revenue resources for financing the Plan. The hon. Finance Minister has himself stated that the era of revenue surplus has come to an end and the main consideration in our current Budget is how to cover the deficit by additional taxation. Nobody can deny that during the last few years there has been a large extension of the base of direct taxation, so much so, that it actually brought in some disincentive effect on the economy of the country. It will be seen from the analysis of tax revenue given on page 91 of the latest Explanatory Memorandum on the Central Budget, that since 1950-51, our revenue from taxes on income has shown a net increase of only about Rs. 13 or 14 crores during the year 1959-60, that is over a period of ten years. From the four new taxes, Estate Duty, Wealth Tax, Expenditure Tax and Gift Tax, we are expecting a meagre amount of Rs. 8.60 crores during the new financial year. This shows that in spite of

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all attempts the Government has not been able to realise sufficient resources from the direct taxation. This will go a good deal to prove that we have almost reached a saturation point so far as direct taxation is concerned. This point also was stressed by many hon. Members yesterday.

In regard to indirect taxation, the realisation that there is no further scope for extension of the direct taxes has led the Finance Minister to rely more and more on the expansion of the indirect taxation. Here also the most striking feature of the pattern of tax receipts of the Central Government in recent years is the phenomenal rise of the Union excise duties as a source of revenue. From a little over Rs. 67 crores in 1950-51, the figure has gone up to Rs. 379.94 crores for 1960-61. Thus it has become the most important single source of revenue of the Government. The revenue from customs duties is becoming more or less fixed, between Rs. 160 crores and Rs. 180 crores, as reflected in the last seven or eight years' budget figures. Any marked increase in the revenue from this item appears unlikely in the near future.

In regard to excise duties, we see that the principal source of revenue of the Central Government now is excise duties. Its percentage to the total tax revenue has risen from about 19 in 1950-51 to 49 in 1960-61. This is the phenomenal rise and we must take into account the effect of it on our economy. The incidence of excise duties in our country falls on articles of necessity and, therefore, their burden on the common man is greater. At the time when prices are rising and people are clamouring for some relief, the tendency on the part of the Government to increase the rates of excise duties is not an unmixed necessity. I feel that the shift in commodity taxation in the direction of a greater emphasis on excise duties in the search of fresh sources of taxation has reached its

economic limits and any further increase in these duties is bound to bring disaster to the economic condition in the country. I do not deny the fact that with the growth of industrial development and economic diversification, excise is bound to become a major source of Government revenue. But the point is that the shift on emphasis on this tax should not be very sudden. It must be in proportion to the rate of industrial expansion and economic diversification. Moreover, there must be a very judicious selection of articles and rates for excise so that the burden on the common man is not disproportionately increased. I, therefore, feel that the new tax proposals particularly in relation to excise require a thorough reconsideration.

Coming to the question of high cost of collection, the fact that there is great scope of making the administration efficient and thereby save a good deal of unnecessary cost will be found from the Analysis of Tax Revenue of the Explanatory Memorandum of the Budget for 1960-61—page 91. From there it will be noted that the total revenue under the head Revenue from Estate Duty is Rs. 10 lakhs only whereas the collection charges is Rs. 7 lakhs. Again, the total estimated receipt of tax on railway passenger fare is Rs. 11 lakhs and the estimated collection charges is Rs. 8 lakhs. This state of affairs is most deplorable, which make one to question about the good of going in for fresh taxation. May I request the hon. Finance Minister to throw some light as to why the collection of these taxes has been estimated so low and why the collection charges are so high.

Much is being said about tax evasion. I admit there is evasion, but not to the extent it is said. It has come to such an extent, as if all people are dishonest and whoever is a tax payer, he is a tax-dodger or a tax-evader, forgetting that only a few lakhs out of the forty crores of our

people are paying all the direct taxes the country has introduced.

There are some evasions which come out of the rigours of heavy taxation. For example, if a man makes a profit of one lakh of rupees, he will have to pay a sum of Rs. 55,000 as income-tax. But if he forms a partnership of five persons, then the tax comes down to Rs. 15,000 only, and there is no bar in law for a new born baby also to be a partner. What will you call it, evasion or human ingenuity?

**Shri Narasimhan** (Krishnagiri): Lawful evasion.

**Shri P. C. Borooah**: Many of the evasions are of this nature. Our tax structure and procedures are also very complicated. People are liable to make mistakes unknowingly. It has at present different rates of taxes for different categories of assessees namely, married man, unmarried man, father of one child, father of two children, company, association, partnership and so on. These create confusion and have offered scope for harassment and also opportunity for evasion. I, therefore, would like to make a humble submission for the consideration of the hon. Finance Minister, that he may have only two categories of assessees with two different rates, namely individual and company. If this suggestion is found acceptable and the partnerships are made liable to pay at the same rate of taxes as the companies, I am sure we will be able to go a long way to make up the deficit financing provided for in the budget.

Sir, among the industries that are vital for our export trade, tea occupies a very important place. The tea industry had earned during the last ten years foreign exchange worth Rs. 1072 crores, an amount that would cover the overseas cost of a dozen steel plants. Thus the Indian tea industry plays a very great role in shaping the economic life of our country. But the saddest part of the matter is that, it is not fully realised

by the Government and the industry has been allowed to be drifted away. It has been subjected to varied and very high rates of taxation. The policy adopted in this regard has been a wrong one. It tends to tax on production rather than upon profit. On the one hand the industry has been asked to step up production and, on the other, whether a profit is made or not, for every pound of tea produced, a tax as high as 50 nP. is charged. A charge of 50 nP. on a small unit of pound in the overall export of 500 million pounds makes a big amount of Rs. 250 million. With this amount on its back the Indian tea enters the world market and faces trouble against the teas of duty-free countries.

In conclusion, Sir, I would urge upon the hon. Minister that instead of being in the constant search for new kinds and rates of taxation, he should pay immediate attention to the overhauling of the administration and of the department. I feel that with a clean administration, the existing or even lower rates of taxes will be able to bring in double the present Government revenue and dismiss the grounds for any deficit financing.

**Shri Feroze Gandhi** (Rai Bareilly): Mr. Speaker, Sir, the issue which I intend to raise before the House is rather a delicate one, and if I do so it is with a sense of responsibility and I intend to steer clear of any controversial issues which have been mentioned in the House by any of the Members. I intend to focus the attention of the House on something quite different, and that is 'procedure', whether the proper procedure has been followed as provided for in the Constitution and also by the Auditor General himself in his own set of rules, in laying the Audit Report, Defence Services, 1960, before the House.

Mr. Speaker, the other day, the Finance Minister in his speech stated:

"Some reference has been made to the haste with which the Defence Audit Report, 1960 was prepared by the Comptroller and

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Auditor-General and laid before Parliament."

"It is quite true that shortly after Independence, due to various reasons, Audit Reports and Appropriation Accounts used to be considerably delayed. Naturally, the Public Accounts Committee was not happy about it, and wanted that, in order to be useful, these Reports should be more up-to-date. It is in order to accelerate presentation of the Audit Reports that the public Accounts Committee in 1952 decided that where there was likely to be delay in the presentation of the Appropriation Accounts, the Audit Report might be presented in advance."

18 hrs.

My humble submission is that this is not what the Public Accounts Committee stated or meant. What the Public Accounts Committee stated is very clearly mentioned in the introductory chapter of the Public Accounts Committee's report, 1954-55—Fifteenth Report. It says as follows:

"At their subsequent discussions of the matter with the Auditor-General it was decided that whenever any delay is anticipated in the completion of the Appropriation Accounts, the Comptroller and Auditor-General may present an advance Audit Report—

please mark the words here—

to be described as Audit Report, Part I, dealing with cases involving financial irregularities, losses of public money due to fraud, negligence or nugatory expenditure and criticisms and comments thereon".

The Audit Report on Defence Services, 1960, to which reference has been made in the House does not and cannot fall into this category. This report

is a final report and includes a report on the appropriation accounts of the defence services and the commercial appendix thereto. This is a final report and the final audit report for the particular year. It does not fall into the category which the Finance Minister mentioned the other day as forming part of the directive of the Public Accounts Committee.

Further, what the Public Accounts Committee in fact said is the other way. The argument is a little the other way round. It was on the 26th July, 1952. I have just mentioned the 1954-55 report. The Minister had mentioned the 1952 report. Here is the financial committees' review issued by the Parliament Secretariat in 1952. Paragraph 4 of it says as follows:

*"Expedition compilation of the appropriation accounts and audit report thereon: At the above meeting a suggestion was made by the Committee that some measures should be evolved by the Comptroller and Auditor-General to ensure expeditious compilation of the appropriation accounts which were in arrears so that the Committee could consider the irregularities disclosed in the audit report".*

You will thus see that the emphasis of the Public Accounts Committee was on the appropriation accounts and not on the audit reports.

**Shri Bimal Ghose** (Barrackpore): Who compiles the appropriation accounts?

**Shri Feroze Gandhi:** The same person.

**Shri Tyagi** (Dehra Dun): It is immaterial.

**Mr. Speaker:** Does the Auditor-General compile the appropriation accounts?

**Shri Feroze Gandhi:** It all comes together. I do not know who compiles it.

**Shri Morarji Desai:** It is the Finance (Defence); that is, the Defence Adviser, who does that.

**Mr. Speaker:** Not the Auditor-General?

**Shri Morarji Desai:** The Auditor-General only sends the audit report.

**Shri Barman** (Cooch-Bihar—Reserved—Sch. Castes): There are two departments—the defence and the railways—for which there are separate persons. So far as the defence is concerned, it is the Controller-General of Defence Accounts, and so far as the railway is concerned, it is the Financial Commissioner. They compile them.

**Dr. Ram Subhag Singh** (Sasaram): Both are under the Auditor-General?

**Shri Raghunath Singh** (Varanasi): They are independent, or are they under the Comptroller and Auditor-General?

**Dr. Ram Subhag Singh:** They are under the Ministry; not under the Comptroller and Auditor-General.

**Mr. Speaker:** Order, order. Let the hon. Member proceed.

**Shri Feroze Gandhi:** The other day, when I was raising a point of order, my contention was that the presentation of the audit report, without the appropriation accounts, does not conform to the procedure as defined under article 151(1), read with article 149. I relied for that on the Audit Code which itself derives its authority from article 149 of the Constitution. It is prepared by the Auditor-General. Article 259 of the Audit Code reads as follows:

“While article 151 of the Constitution imposes on the Comptroller and Auditor-General the duty of reporting on the accounts,

paragraph 114 of the Audit and Accounts Order, 1936, requires that the Comptroller and Auditor-General shall prepare and present both appropriation accounts in the case of accounts kept by him and finance accounts.

This is the point you were probably raising, namely, the finance accounts—

“Thus, with the audit report and the appropriation accounts, the audited accounts in the form of appropriation accounts and the entire expenditure, voted or charged, of the Government of each financial year will be presented to the legislature concerned”.

My emphasis is on the word “with”. Here too, it is clear that according to the provisions of article 151 of the Constitution, the Auditor-General himself came to the conclusion that the audit report and appropriation accounts must be presented to the legislature together.

**Shri Bimal Ghose:** Will the hon. Member read article 151?

**Mr. Speaker:** Let him go on.

**Shri Feroze Gandhi:** Sir, it is going to be a very brief speech,—not more than ten minutes from now.

**Shri Bimal Ghose:** Just I wanted to know it.

**Shri Feroze Gandhi:** He can read it himself.

**Shri Khushwaqt Rai** (Kheri): We have read it.

**Shri Feroze Gandhi:** I shall read it. Now, the fact that the appropriation accounts and the audit report are one document and are an integral part of each other and cannot be separated came up for disposal by your honourable self. I have already drawn your

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attention to it and pointed it out. I shall very briefly explain how the situation came about. This has happened before. The Defence Minister, for some reason best known to him, did not want the publication of the appropriation accounts. He wanted that the appropriation accounts should be withheld both from Parliament and the public. Now, this happened in the year 1957—somewhere roundabout July or August. The matter was referred by the Finance Ministry to the hon. Speaker. The Speaker referred the matter to the Auditor-General. The Auditor-General said—this is not a quotation but the report of Parliament.

Now, many questions were asked and I remained silent because I was going to bring this thing out. This pertains to the appropriation accounts and the audit report—defence. Therefore, all the other points that hon. Members were raising would be clarified by this. This is what the report says:

“While stating that it had all along been the practice to present Audit Report with the Appropriation Accounts to Parliament, the Comptroller and Auditor-General’s Office expressed the following view on the specific point raised by the Ministry of Finance (Defence):

‘As regards the question whether or not the Defence Appropriation Accounts should be given publicity, the matter is one for the Government and Parliament to decide’.”

All these matters were then placed before the hon. Speaker. I am concerned only with Parliament. I am not concerned with anything else. The Auditor-General has the absolute right to send any audit report that he likes and Government can keep it in the Finance Ministry or do whatever they like with it. I am not concerned with that. My only concern is that, as far as Parliament is concerned, it

is the Speaker and Speaker alone who shall decide the procedure of papers being laid on the Table of the House. Nobody, neither the Ministry of Finance, nor the Ministry of Defence, nor anybody else can tell the Speaker how this is to be done.

Now, what did the Speaker do? The matter was placed before the Speaker, and this is what the Speaker decided:

“(1) If the Speaker authorises the distribution or sale of any document or report in connection with the business of the House under rule 382 of the Rules of Procedure, there is no provision in the Rules under which the supply of such documents can be withheld from the press, as these also become public documents.”

I am drawing the attention of the House to this, because I think this is one of the greatest rulings or directive issued to the Government by the Speaker of this House. Then the ruling says:

“(2) The Appropriation Accounts”.

and this is the crucial point

“(2) The Appropriation Accounts are the final outcome of the process by which expenditure proposals are submitted to Parliament, considered, discussed and voted by it. When the moneys have been spent, the results are exhibited in the form of Appropriation Accounts which are laid before Parliament. Moreover, the Appropriation Accounts are the documents which form the basis of the Comptroller and Auditor-General’s Audit Report as enjoined in Article 149 of the Constitution read with paragraphs 13(1) (i) and (iii) of the Government of India (Audit and Account) Order, 1936 as adapted under the India (Provisional Constitution) Order, 1947. The study of Audit Report cannot be complete with-

out a study of the relevant Accounts on which it is based. The Appropriation Accounts thus form an inseparable adjunct of the Audit Report and the Appropriation Accounts cannot, therefore, be treated as separate entities for the purposes of their being laid before Parliament as prescribed in Article 151(1) of the Constitution."

Shri Ghose was referring to that. It further says:

"3. When the Government of India Act, 1935 was in force, it had been the convention to lay the Appropriation Accounts on the Table of the House along with the Audited Report thereon. This itself appears to have been based on the analogy of the provisions contained in section 21 of the U.K. Exchequer and Audit Departments Act, 1866.

4. Till such time as a law is made by Parliament defining the duties of the Comptroller and Auditor-General in relation to the Accounts of the Union, the Comptroller and Auditor-General will, under Article 149 of the Constitution, perform such duties as were performed by him immediately before the commencement of the Constitution in relation to the account of the Dominion of India. Therefore, it is incumbent upon Government to continue the practice in this behalf that was in force before the commencement of the Constitution."

The directive of the Speaker was conveyed to the Ministry of Finance.

Mr. Speaker, I do not think I can produce a greater authority on the interpretation of articles 151(1) and 149. I have given you the reading of article 151(1) by the Comptroller and Auditor-General and I have placed before the House the directive of the hon. Speaker. I can do no more.

As I said, this is going to be one of the briefest speeches that I have ever made in Parliament, because it is not I who am going to speak or have spoken.

The hon. Minister has stated that efforts have been made to speed up the reports. That is very true. I have received from Parliament Library a statement of reports laid on the Table of the House. I do not know how they go to the Ministry and how they come here, but this statement has been given to me by the Library. According to this statement, I find that once or twice.....

Mr. Speaker: What is the statement?

Shri Feroze Gandhi: This is the statement I got from the Library, and this gives the dates on which Audit Reports and Appropriation Accounts were laid on the Table of the House, whether separately or together. This is from 1954 right up to the submission of this particular report.

Mr. Speaker: Who prepared this report?

Shri Feroze Gandhi: I do not know who prepared this.

Mr. Speaker: The Research and Reference Section?

Shri Feroze Gandhi: I do not know who prepared it.

Mr. Speaker: There is a Research and Reference Section here to enable all hon. members to get facts and statistics on various subjects. It is open to any hon. Member to get information from there.

Shri Feroze Gandhi: I just want to pay my tribute to that Section, because it is one of the most helpful sections to all hon. Members. The last ten days, the way the Library of this House, the librarian and all the people, have worked with regard to this subject, you have no idea. And the



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educational value of this discussion or controversy, or whatever you might like to call it, is great.

Now, according to the statement that is given to me by the Library, I find that from the year 1954 right up to 1960, before your directive, there have been two departures. After your directive, there has been one departure and I am not in a position to know whether it was with regard to the same Appropriation Accounts about which we had discussion. It has not been possible to locate that.

Therefore, I think that even in spite of the fact that this directive of yours is there there is nothing to prevent the Auditor-General from sending to the House preliminary reports, as authorised by the Public Accounts Committee. But they must be preliminary reports, and described as such, and should not contain any reference to Appropriation Accounts, or the Commercial Appendix. That should be in Part II.

Mr. Speaker, the hon. Finance Minister, the other day, said something. I am not in a mood to retaliate today, because I think the matter is much too serious. It is something which is of interest to the House, interest to the Members. I can assure you that, as far as I am concerned for the office of the Auditor-General I have got the highest respect. My respect for the Ministry and the Ministers comes second to him. I respect him more. I want that office, and the offices of persons like the Chief Justice of the Supreme Court, the Chairman of the Union Public Service Commission, should be thoroughly protected. But protection does not mean that if they do something then that cannot be questioned at all. Parliament is supreme. If certain procedural irregularities take place, they have to be brought to your notice. When the other day I was trying to raise it by way of a point of order, I only mentioned this, and it is you who have given this ruling. I was very glad when I have just

been informed by my hon. friend, Shri Barman, that such a situation will never arise or should not arise.

**Shri Barman:** I did not say "will never arise". I said that it might not arise and there might not be occasions like that.

**Shri Feroze Gandhi:** Yes, there might not be occasions, because all the arrears have been wiped out. We were very happy to know from the hon. Finance Minister himself that things have been speeded up. I would like to add as on the high way, so in Parliament, over-speeding sometimes results in accidents.

**Mr. Speaker:** Dr. Ram Subhag Singh.

**Dr. Ram Subhag Singh:** Mr. Speaker.....

**Shri Barman:** Mr. Speaker, before that, may I just read only two extracts from the records on which this controversy had arisen?

**Mr. Speaker:** Yes, Shri Barman.

**Shri Barman:** It was, first of all, in the year 1952 that the Public Accounts Committee felt rather uneasy, because accounts were much in arrears.

At that time I also was a member of the Committee and Dr. John Mathai was the Chairman. Some legal points also were raised at that time as to whether this Committee was competent to go into the accounts of the pre-partition period and because of two other factors which I may state incidentally. Two departments, namely, Defence and Railways, are very big departments and naturally the Controller General of Defence Accounts and in the Railways the Financial Commissioner took much time in order to compile the accounts. Naturally, the reports did not come up before the Public Accounts Committee though they had much less

work at that time. So consultations were going on between the Public Accounts Committee and the then Auditor-General as to whether something could be done so that the Public Accounts Committee might consider matters which were urgent and not wait till the Appropriation Accounts came up because by that time it will be rather futile to discuss that..... (Interruption). I will just read out paragraph 5, page 1, of the Report dated the 25th January, 1950. It reads thus—

“We were glad to hear from the Auditor-General that he had under consideration certain proposals which will enable him to bring before the Committee important financial irregularities for consideration as soon as possible after their occurrence thus avoiding the inevitable delay involved in bringing them to their notice through the formal Audit Reports, after the completion of the accounts. The Committee will in consequence have to meet more frequently than at present. We welcome this suggestion and we trust that a decision on this matter would be taken in consultation with the Committee in time to come in operation for the next financial year.”

Next I pass on to.....

**Pandit D. N. Tiwary (Kesaria):** All these happened before direction was given by the Speaker.

**Shri Barman:** I am not contesting the hon. Speaker's direction. I have not followed what my hon. friend has just now said.

**Shri Feroze Gandhi:** The hon. Speaker's directive was conveyed both to the Ministry of Finance and to the Public Accounts Committee.

**Shri Barman:** I am referring to the earlier incidents.

Again it is an extract from the Seventh Report of the Public Ac-

counts Committee, 1952-53. At that time Shri B. Das was the Chairman. The proceedings of the meeting of the Public Accounts Committee held on Saturday, the 26th July, 1952 read thus—

“The Committee first considered the suggestion made by the Comptroller and Auditor-General of India at an earlier meeting that he contemplated to separate self-contained paras, involving grave irregularities etc. in his Audit Report which did not contain any direct reference to the Accounts themselves and present them in the form of preliminary reports. Such reports, the Comptroller and Auditor-General said, would enable the Committee to examine these irregularities as soon as possible after their occurrence thus avoiding the inevitable delay involved in bringing them to their notice through the final reports. The Comptroller and Auditor-General also undertook to prepare Part I of the Audit Report on the Appropriation Accounts (Civil) for the year 1951-52 and forward it to the President in the usual manner for being laid before Parliament after which it could be considered by the Committee without waiting for the final Report.

The Committee agreed to the suggestion made by the Comptroller and Auditor-General.”

The third thing that I want to place before the House through you is an extract from the report of the Public Accounts Committee, 1954-55. I will only read a portion of it. It reads:

“In pursuance of this decision, the Audit Report (Civil), 1952 has been presented by the Comptroller and Auditor-General in two parts viz, Part I, Preliminary Report dealing with cases involving financial irregularities, losses of public money etc., and Part II,

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Supplementary Audit Report dealing with matters other than those referred to in Part I and also containing audit comments and criticisms arising out of the Appropriation Accounts, e.g., accuracy of budgeting, control over expenditure, excesses and savings etc.

The Committee are glad to note that the reporting has now been made current and the Audit Report of 1954 has already been presented to Parliament."

**Shri Feroze Gandhi:** Will you kindly read the previous paragraph also?

**Shri Barman:** I have not got the previous paragraph with me. What I have, I have read out. This clearly shows that in consultation with the Public Accounts Committee since 1952 the Auditor-General was authorised, or rather had been submitting Audit Reports in the form of Part I. Subsequently, there were the Appropriation Accounts and also Audit Reports on other matters which were not contained in Part I which had been submitted earlier. Since that time there had been several occasions regarding different ministries on which the Auditor-General had submitted Part I Report separately and the Appropriation Accounts came later on. Even, so far as Defence is concerned, last year also the Auditor-General had submitted Part I before the Appropriation Accounts were submitted to the House. These are the facts.

**Shri Feroze Gandhi:** May I correct the Chairman? There was no Part I Report last year on Defence. It has not come to the House last year and it is not in the Library of the House.

**Shri Tyagi:** It is 1959 Report.

**Shri Feroze Gandhi:** Does it say it is Part I? It will not say it is Part I.

**Shri Barman:** I have got a list of all the Reports that have been submitted on different ministries. Of course, mostly the Reports have been submitted along with the Appropria-

tion Accounts. But there have been occasions practically in the case of all ministries that earlier reports have been submitted in the form of Part I. I may just verify.

**Shri Tyagi:** I want to know one thing. On account of the regularity or irregularity, are the main points which have been highlighted by the Auditor-General irrelevant for us to consider the objections that have been taken.....(Interruption)? I want to know whether consideration of those points to which the Auditor-General has taken objection in the Report which has come regularly or irregularly on the Table of the House is irregular.

**Some Hon. Members:** No.

**Shri Tyagi:** Why is this camouflage of discussing the procedure.....(Interruption)?

**Shri Frank Anthony** (Nominated—Anglo-Indians): Yes, yes; that is what it is. It is camouflage.....(Interruption)?

**Shri Morarji Desai:** It is a point of procedure that has been raised. I hope to place facts before the House which, I am quite sure, will convince the House that there is no irregularity.

**Shri Tyagi:** But what about the main objection? Why is the Government not speaking about that? The main objections raised by the Auditor-General are the main concern of the House. The House is anxious to know your replies about those objections and not about procedure or irregularities.

**Some Hon. Members:** It is for the Public Accounts Committee.

**Shri Barman:** Generally, the practice is that if the Auditor-General submits a Part I Report that Report will contain such matters which do not depend on the Appropriation Accounts.

**Shri A. P. Jain** (Saharanpur): We have left the hare and are chasing the hound.

**Dr. Ram Subhag Singh:** I associate myself with the remark made by Shri Ajit Prasad Jain that we have left the hare and are chasing the hound because I was very much grieved today when I heard so many questions—I also heard the hon. Prime Minister—regarding the case which is still going on in a London court.

**An Hon. Member:** It has practically been withdrawn.

**Dr. Ram Subhag Singh:** I was in the beginning under the impression that the Government had filed this suit with a view to vindicate the prestige of the persons who had placed certain orders with that firm. But later on that firm filed some counter-suits and in one of the counter-suits I am told—I am not very sure because it was published in the papers a year ago that the London firm, Sir James Marshall Cornwall and Partners filed a suit that the opposite party had filed an application for the liquidation of their firm—they had named some Indian dignitaries. The firm has not yet been liquidated. I do not know what that insinuation was. I would like the Government to give a reply to that.

**Shri Tyagi:** He is not listening.

**Dr. Ram Subhag Singh:** If they are not listening, they will go on committing so many blunders in the future also. Because, the case which was raised today also comes into the picture here. I do not know whether at that time the Audit Report had taken note of it or not. This Audit Report has given a special Chapter, 'Other Topics of Interest'. And in this mention is made about some Japanese contracts, and it is said that on the 9th September, 1958, the Defence Ministry concluded an agreement with a Japanese firm, who were not one of the original tenderers. And it says further on: "A technical team consisting of the Director General, Ordnance Factories, and another officer was sent to Japan to investigate the performance of the tractors, but after the contract had been concluded."

I do not know whether there is any bungling here or not, but on the face of it it is an irregular action that proper tenders were not called; and, after the contract was signed, officers were sent there to inspect the tractors. If anybody points out such irregularities, I do not know why any one should go against him.

Apart from that, we have taken the oath to uphold the Constitution. And, as regards the post of Auditor-General—I do not mean the present incumbent, let anybody be the incumbent—but I want to uphold the institution of the Auditor-General. Because, if we malign any Constitutional post, it is not proper. For instance, take the President. Whoever is the President, it is our duty, when we have taken the oath by the Constitution, to uphold the institution of the Rashtrapathi of India. And if Shri Morarjibhai or any Minister gets up and says "The Rashtrapati is not good", I will challenge his authority that he is not doing justice by the Constitution. Similarly the other day the Defence Minister came and got up without any information and started saying something about this Audit Report. As a matter of fact, in the Defence debate I had raised this point that there is nothing in this report which I should object to; because I know that so many irregularities are being committed daily, and there is nothing new here which I do not know of. Therefore, it was not a new document for me. But they take objection even to such innocuous documents because they are not in a position to say that it is wrong. If they are in a position to point out any wrong facts mentioned in it, then I will be prepared to bow to anybody here and say "all right, I am not going to say anything against the arguments which are being placed here". But they did not say, "What about this Japanese firm?"

If you negotiated a contract with Sir James Marshall Cornwall and Partners, and after ten years you are going to hide your face, this is the most shameful action we have taken, this Jeeps case. And it was good that

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they did not pursue it when the Government realised that we are not going to recover the amount of damage even if we succeed. That was the gist of the statement of the Prime Minister. At that time also I was getting up and I wanted that you should permit me to ask this question with respect to the initial error. That is, there were certain errors committed by the persons who placed that contract with that firm. If this realisation has dawned on the Government that they are not in a position to recover the amount, I wanted to ask whether this has also dawned on the Government or not that the persons who had committed the error of placing that contract with them should no longer be allowed to place another contract with any other firm. I do not know what is the position, and I would like the Finance Minister to categorically say whether the persons responsible at that time to place those contracts, by which I mean the 'Jeep scandal contract', with those firms are still in a position to place even bigger contracts with bigger firms, and bigger foreign firms, in Japan, Germany and other countries. If this is the situation of the Government, then I would acclaim the action taken by the Auditor-General and say that the Auditor-General must submit to this House daily reports as to what kind of irregular contracts are placed by the Government. We should welcome him here in this nation, and we should invite him and say "you must point out the daily defects of the Ministries, if they are committing errors of the nature of this 'Jeep scandal case'."

Now, there is another thing, this Nanavati case. On that day I had avoided and even today I want to avoid saying anything on this, because this is a human thing. (An Hon. Member: What human?) Because, a day or two after I had spoken, I read a statement of the Law Minister in London, not in India. And he said that the jurors had agreed that he should be exonerated, and some judges had also differed. Because we

are in the Congress we abide by some principles and moral standards; we are supposed to have at least some sort of moral standard and nobody should go by technical nicety. And the Law Minister must also be knowing what is the nature of the case and what is the truth about that. I do not want to go beyond that. This is also a matter of daily occurrence, because Mr. H. M. Patel was also given a fund by the Government to defend himself. Occasionally firings also take place. There also, even in my State, the Government had given large sums of money for defending their officers, because when they resorted to firing they were on duty. I do not know whether he was performing any naval duty in the city of Bombay at that time. Therefore, it was irregular.

My esteemed friend Shri Tyagi was very correct when he said that if anybody comes and repudiates the facts we must accept it. And I am prepared to accept every word and comma of the repudiation. But they should go and repudiate it, I deprecate it, and deprecate it with full vigour, that it should not be the business of any Minister to hide facts under any technical nicety.

Now I want to say another thing. Because, like the 'Jeep scandal', this Indus canal water dispute is also a very big question. Actually I was not prepared to speak today, but what took place in the Question Hour encouraged me to participate in it. This is about appropriation and accounts business. Shri Barman was quite right. And I bow to your ruling. Whatever you say must be accepted here in the House.

With regard to the appropriation accounts of the Defence Ministry and Railway Ministry—today it is a question of the Defence Ministry—those accounts are prepared by the Defence Audit people, as was stated by the hon. the Finance Minister. And the Defence Ministry can at any time prevent the submission of the Appropriation Accounts. It cannot be certified

by the Auditor-General unless and until the Appropriation Accounts are submitted to him. And that submission can be delayed by the Defence Ministry. If that right is possessed by any Ministry, whether it is the Finance Ministry or Defence Ministry or External Affairs Ministry or Agriculture Ministry, then that right is not a correct right. It should be taken away and the Auditor-General should be given the full control of demanding the Appropriation Accounts.

About railways, talks were going on for giving rights to Pakistan for having their railway between the two wings of Pakistan. I think if the Government yields here, it will be committing the gravest blunder of its career. Government must give full opportunity to them to use Indian railways, planes or whatever means of transport we are having, but we should never allow any foreign Government to have their through trains through our territory. If they effect negotiations, I would like you, Sir, not to allow the Government to have it negotiated before consulting this House.

My next point is about Dadra and Nagar Haveli. The International Court has now given the judgment, and it is now proved that the Portuguese are not having any sovereignty over Dadra and Nagar Haveli and that these places are Indian. I think that it is our duty that we should accord recognition to both Dadra and Nagar Haveli, and also encourage the formation of an Indian Government in Goa, Diu and Daman; or, they should form a Government, and we should accord recognition to that. They should also be given freedom to join India when they want to.

My next point is about the Defence Ministry again. The other day I had mentioned about one line in the Report of the Defence Ministry for 1959-60. The pity is that nobody in the Ministry knows whether any such mention has been made or not. I say this because I have consulted the External Affairs Ministry, Defence

Ministry and everybody. When I refer to External Affairs Ministry, I mean below and up to the Deputy Minister's rank. It is mentioned in page 5, paragraph 5, line 5:

"A little later when there were some incidents on the Ladakh border of Tibet, in October, 1959, the Army took over similar responsibility for the J. & K., Punjab, Himachal Pradesh and U.P. borders with Tibet."

I think this is another blunder which the Defence Ministry has committed, because I do not see any sense in it. Anybody possessing an iota of intelligence.....

**Shri Tyagi:** May I request you not to allow in the House any discussion on this matter since this question is being discussed between the two Prime Ministers? It may have an adverse effect on the negotiations.

**Dr. Ram Subhag Singh:** I very much respect Tyagiji and I am always prepared to implement his command, but here this is a printed document, and it is in the market also, and every intelligent man will be having it. I do not mean non-intelligent people who have not read it, but here my premise is.....

**The Deputy Minister of Finance (Shri B. R. Bhagat):** What document?

**Dr. Ram Subhag Singh:** The annual Report of the Defence Ministry for 1959-60.

**Shri Tyagi:** The passage quoted is adverse to our interests. Therefore, I am saying.....

**Dr. Ram Subhag Singh:** It can never go against our interests. It is written in it:

"A little later when there were some incidents on the Ladakh border of Tibet,....."

**Shri Morarji Desai:** Why should we discuss it now?

**Mr. Speaker:** The hon. Member has pointed out the discrepancy of one statement first, and another statement now, but the opinion seems to be that the discrepancy that has been committed by the officers who prepared this Report is not an important matter to be raised today. Of course he will have other occasions. He may proceed to another point.

**Dr. Ram Subhag Singh:** My point is that the whole premise of this Report which runs into 91 pages is that some incidents occurred on the Ladakh border of Tibet, and I want to repudiate that premise, because there is no foundation in that premise. No incident occurred on the Ladakh border of Tibet. All the incidents occurred deep inside Indian territory,...

**Shri Tyagi:** That is true.

**Dr. Ram Subhag Singh:** .....45, 50 and 100 miles inside. One incident occurred in 1949-50. According to Mr. Chou En-lai's letter, thousands of Chinese solidiers were sent to construct that road which runs over 100 miles in Indian territory, and that also 40 miles south of the Indian border. That was the first incident. The second incident occurred when they visited the Shipki La pass in 1954. Again in 1956, they visited Bara Hoti, and in 1957 they visited the Khurnak Fort, Spanggur and Mandal. Then they arrested our solidiers 55 miles inside our territory in July, 1958. Then again, they arrested our patrol personnel in September, 1959 about 65 miles inside our territory, and the latest incident of October, 20-21, 1959 was in Kongka pass in Chang Chenmo Valley where they killed nine Indian patrol personnel and arrested 14. Any Defence Ministry worth the name would have stated that our patrol personnel were arrested by the Chinese 50 or 60 miles inside our territory, that they were killed by the Chinese 45 miles inside our territory, and not bow to their feet saying that the incident occurred on the Ladakh border of Tibet.

There is another thing. Here is the latest Chinese communication, and incidentally the two are similar in nature.

**Shri Tyagi:** Border means on the side of the border, not exactly on the border.

**Dr. Ram Subhag Singh:** Yes, two or three miles, as in the case of Pakistan where we are having that experience. They are incidents a mile or two this side of the border.

This is what the Chinese communication says:

"For China the occurrence some time last year of tension and unfortunate incidents on the border of the two countries was totally unexpected."

Mark the words "the border of the two countries". Is the Defence Ministry going to recognise that, and if they go to recognise that I oppose them, and I will go on opposing them, and I will see that they are never allowed to do that.

**Shri Braj Raj Singh:** See to it that they are not allowed to be in office.

**Shri Birendra Bahadur Singhji (Raipur):** May I make a suggestion?

**Dr. Ram Subhag Singh:** I am not yielding.

Accidentally yesterday I read the *Hindu* of Madras, in which there is an article about the misunderstanding that arose in 1950 when India sent a communication acknowledging Chinese suzerainty over Tibet and renouncing the special privileges enjoyed by her in Tibet. It appears that the Indian Embassy in Peking decoded the term "suzerainty" into sovereignty through a clerical error. I do not know whether that was a clerical error or whether that was intentional. Had it not been intentional, it would have been rectified long ago, but today, it is about ten years since then. It occurred in

1950 and today we are in 1960. Therefore, I have always been saying about the mistakes committed by these persons; they are in Peking or other places and here also.

**Shri M. R. Krishna** (Karimnagar—Reserved—Sch. Castes): Which persons? Our Ambassador?

**Dr. Ram Subhag Singh**: Today the position is that negotiations are going on. Like Shri Tyagi I also wish that an amicable settlement is arrived at. I wish godspeed to the two Prime Ministers and pray that they succeed in their efforts, but not at the cost of India, because I want to be clear. We know our recognised boundary, we also know about our culture and tradition, we also know that for the Chinese it is one of the ten fingers. And they consider that also as some mole or some such thing on one finger, and all the other nine fingers are all right. But, for us, there are only three sides. One side which was the safest, up till now has now become a live boundary. And it is going to be so in future. Therefore, for us, it is a question of life and death. For them, it is a very easy question. Therefore, I want that the country should stand behind the Prime Minister. In his speech at the airport, which I read in yesterday's paper, and also in his speech yesterday at the banquet, he has expressed the sentiment of the country; he has reflected the true sentiments of India. Therefore, I support him and give him wholehearted support, and I assure him that the country will be behind him; and he must uphold the dignity of India and protect the frontier of the country in the negotiations, and I hope that he will protect.

For the future, I would say this. Two things are going on now. One is the Chinese colonisation corps in the Ladakh area. I want to speak about it again this time. There, they have brought soldiers and they are colonising our area. You know, Sir, that when Shri Karam Singh was travelling

through that area, he was made to travel through that area by one truck—bigger truck. The point is that they have developed a net-work of communications, a system of road communications. Last Sunday, I saw the latest map of the frontier of India, and I find that they have constructed an airport also in our territory just very near Chusul near Chang Chenmo Valley. When they have developed their area to such an extent, it is most unfortunate that we have not so far developed our area, and we are not making any concrete efforts towards developing them either. For, today, about the Badrinath Road, it was said that since December, nothing was being done on that road; and the hon. Minister said that that was the concern of the Defence Ministry. If that is going to be the case, how can things develop? Any Indian, however patriotic he may be, living in the villages in our border territory, if he would see Chinese jeeps and all sorts of implements etc. will begin to think 'What sort of Government are we having?'. We are not even having a bullock-cart, what to speak of jeeps and trucks and other things.

Therefore, it is necessary that we must develop India. And I would appeal to the Finance Minister, that he being a practical man, he should see that all other Ministries are roped in, and no development flounders at the door of Finance. Let the country finance the further development of those areas. We must raise all sorts of taxes, but for developing those areas and not for filling the pockets of corrupt officers and people.

I would like to say a word here about the NCC and the Territorial Army. I was talking a little while ago about the Chinese colonisation corps; they are colonising our area. Here, our programme is to train the students. It is good that our students should be disciplined, and we must train them, but no student can go there and remain. It is only the ex-soldiers, if they are sent there, who can form a *basti* and do some work. Or train the illiterate and send them in as large



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a number as you like. Invite the ordinary youth of India and train them, in the Territorial Army and others. Otherwise, this mere business of getting salute from them and doing these small things would not do. I am giving this warning here. Of course, what is being done in the NCC is a useful thing, and the NCC people can become better officers, but they can never go and stay in the Aksaichin area. It is necessary that we should prepare persons to go there and stay there and develop some rivulets, cut the snow and do other things there. This realisation is not there at present, namely to develop our country, not only the frontier but the entire manpower and other resources on the line that the freedom of the country and the country's defence require. The Territorial Army and the NCC are good at their places, but the really vigorous and virile people should be trained, and we must pay them well and send them there. And light armaments and other things also should be manufactured. Every day, this song of increased production in the ordnance factories is being sung. I am very much for that, and let them go on doing that, but ordnance factories are not bania-shops where we should try to manufacture something for profit. We require solid things for protecting our frontiers, such as light armaments, radar, fighters, bombers, jeeps, small-tonnage tractors and so on. But I find that there is an argument going on, and we are carrying on with all sorts of arrangements. I want that there should be a clear realisation of the situation. So far, there is only a hazy realisation. I do admit that our Prime Minister has fully gauged the sentiment of the nation, but below him it is necessary that there should be a full realisation of the situation, for, only with realisation, there can be adequate preparation.

**Several Hon. Members rose—**

**Mr. Speaker:** Shri Frank Anthony. Thereafter, I shall call Shri Braj Raj Singh, Shri Vajpayee and Shri Khadilkar.

**Some Hon. Members:** What about the hon. Members on this side?

**Shri Rane (Buldana):** Yesterday, so many people spoke from the Opposition. But only a few Members have spoken from this side.

**Shri Raghunath Singh (Varanasi):** Sir, you have got two eyes, the left eye and the right eye. You must see on both sides.

**Shri Morarka (Jhunjhunia):** You may extend the time.

**Shri Khadilkar (Ahmednagar):** You may increase the time.

**Mr. Speaker:** What can I do for time?

**Shri Rane:** The idea was that those Members who had not spoken either on the Motion on the President's Address or on the budget should be given chance, but yesterday, I found that many Members who had taken part either on the Motion on the President's Address or on the budget were given chances, and other Members from our side are suffering because of that.

**Dr. Ram Subhag Singh:** I support this. I fully support Shri Rane's suggestion, and he should see that all Members who have not been put on any committee so far, and who have never got any chance should be put on committees now and they should also be given chances. Otherwise, what is the sense in making this suggestion?

**Mr. Speaker:** I have before me a list of the names of the Members of the Congress Party who want to speak. But it so happens that only those persons who constantly speak remain in the House. As for the other persons, I have been seeing around and the hon. Deputy-Speaker also has been trying to catch their eyes; they never care to catch our eyes, but we try to catch their eyes, but they are not here. While I have been repeatedly

saying that I shall give opportunities to those people, I find here in the list before me a cross noted against their names, saying that they are not available in their seats.

**Shri Muhammed Elias** (Howrah): We have been sitting here since yesterday morning.

**Mr. Speaker:** I know, I shall give opportunities.

With respect to this debate on the Finance Bill, I would like to give opportunities to all sections which have distinct political affiliations, in addition to other persons who have not taken part.

The time is limited. Sometimes the speeches of some hon. Members are very interesting and some new aspects are dealt with and the House seems to be in a mood to go on hearing. And, I am a little afraid of disturbing. Therefore, hon. Members will put up with this inconvenience. They will have many opportunities. (*Interruption*).

**Shri Muhammed Elias:** At least one Member from our party may be allowed.

**Mr. Speaker:** If the hon. Members are willing to have only a couple of hours for the clause by clause consideration—the hon. Minister has conceded a number of things and I do not think we expect any other concessions—otherwise we can extend this general discussion. (*Interruption*). Whatever they want to say may be said in this discussion. I will call upon the hon. Minister at 4.40.

14 hrs.

**Shri Morarji Desai:** If you call me to speak at 4.40, that means the amendments will be taken up at 5.40 and they will go up to 7.40.

**Mr. Speaker:** I said previously that I will call him at quarter to three. Now, I will call him at quarter to four.

**Shri Morarji Desai:** Then, I think it will be at 3.40.

**Mr. Speaker:** Yes; I will call him at 3.40.

**Shri Morarji Desai:** You were going to call me at 2.40; now with this extension it will be 3.40.

**Mr. Speaker:** He will carry on the reply till 4.40. Then, we will have three hours up to 7.40. So far as the one hour discussion is concerned, we can postpone it till tomorrow.

**Shri Morarji Desai:** May I know whether the House is going to sit till 7.40 or till 6.40?

**Mr. Speaker:** We shall finish it today.

**Shri Morarji Desai:** That is all right; afterwards it will be very difficult.

**Mr. Speaker:** Shri Anthony. The hon. Member will be brief.

**Shri Frank Anthony:** Mr. Speaker, Sir, I intend to be very brief. Actually, I have come to my feet to answer the position taken up by Shri Feroze Gandhi because as one of the most senior Members of the House I think the issue he has raised is basically an extremely important issue. While Shri Gandhi has purported, under the guise of some particular affection for procedure, to question the right or the propriety of the action taken by the Auditor-General I feel it raises the question basically of the position of the Auditor-General not only *vis-a-vis* the Constitution but *vis-a-vis* this House also

Shri Gandhi referred to article 151 of the Constitution. Sometimes laymen know more law than lawyers. But he left me completely unconvicted. I hope you will bear out my reading of this article. Article 151 reads as follows:

“The reports of the Comptroller and Auditor-General of India relating to the accounts of the

[Shri Frank Anthony]

Union shall be submitted....."  
I am unable to find.....

**Shri Feroze Gandhi:** Do not refer to me. That is the finding of the Speaker—not mine. It is the Speaker's ruling.

14.03 hrs.

[MR. DEPUTY-SPEAKER *in the Chair*]

**Shri Frank Anthony:** I am interpreting article 151 literally. And, you Sir, who have got considerable judicial experience know that it is a basic maxim of interpretation to give the ordinary, plain, grammatical meaning. And the plain grammatical meaning of article 151 is this, that the Auditor-General should report relating to the accounts and the report shall be submitted to the President. There is not a single word or phrase here to suggest that the report of the Auditor-General and the Appropriation Accounts should be presented to the President simultaneously. There is nothing in the article to suggest that.

Then, I have here an extract from the Audit Code. Shri Feroze Gandhi suggested that the Auditor-General has powers by and large; but, in any event, in this particular case he acted in a way which was repugnant to some kind of Code. I have before me an extract from the Code which reads as follows:

"He" (that is the Comptroller and Auditor-General) "has complete liberty in reporting relating relevant facts and of expressing opinions upon the conduct of departments and of Ministries in regard to their financial transactions".

And this is the most important part.

"Nothing can fetter his discretion or judgment in any manner as to matters which he may bring to the notice of Parliament in the discharge of his duties."

What I want to emphasise is this that apart from the extraordinary

status the framers of the Constitution have advisedly invested the Auditor-General with, the Auditor-General, in the final analysis—I won't say he is a servant of Parliament—has not only a duty but a right to report to Parliament. And, I think we have to be very clear in our own mind as to how we are going to regard the Auditor-General. Because, in certain ways I consider the Auditor-General has been placed in a position which is almost co-equal with that of the President of India. In certain ways he has a position more exalted than even the Chief Justice of India and the Judges of the Supreme Court. I am reading from article 148(4).

"The Comptroller and Auditor-General shall not be eligible for further office either under the Government of India or under the Government of any State after he has ceased to hold office."

We have deliberately placed on him this extraordinary seal of independence so that unlike the Judges of the Supreme Court who tomorrow may become a Governor, even the Chief Minister of a State who may become something less exalted than a Governor, the Auditor-General has been given a peculiar position in the matter of high status.

I do not understand quite frankly Shri Gandhi's apparently deep concern at a new ground allegedly being broken by the Auditor General. The Finance Minister said, I think it was day before yesterday, that no more than one occasion—I forget the number of occasions and he will tell us—that on several occasions, in fact, the Audit Reports have been presented to this House before the Appropriation Accounts.

Now, this has happened in the past and no objection has been taken. I do not understand why somebody should suddenly acquire some kind of hypersensitive rash and come to this House and under the pretext of procedure and irregularity.....

**Shri Feroze Gandhi:** Will you please use proper English; otherwise you will find it rather hot. Do not talk about rash. What is this language?

**Shri Frank Anthony:** I repeat what I stated that somebody with a hyper-sensitive rash—what is wrong there...

**Shri Feroze Gandhi:** Do not use that language in this House. Otherwise, you will find it very hot for you. Speak decently.

**Mr. Deputy-Speaker:** Order, order. (*Interruptions*). I am calling for order. Is it necessary that everybody should get up.

**Shri Frank Anthony:** I must strongly protest against Shri Gandhi.....

**Mr. Deputy-Speaker:** The hon. Member may leave it.

**Shri Frank Anthony:** It is highly improper for Shri Gandhi to threaten me that it will be very hot. I am quite prepared to get heat from Shri Gandhi, and Shri Gandhi's betters (*Interruptions*).

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

**Shri Feroze Gandhi:** Is this the kind of language to be used in Parliament?

**Shri Frank Anthony:** Are you telling me what kind of language I should use? You are not the Speaker. What is wrong in saying hyper-sensitive rash? It is a refined expression....

**Mr. Deputy-Speaker:** Order, order. Would the hon. Member listen to me? Am I to stand in a queue to get an opportunity to speak? Every hon. Member begins to speak and does not care whether the Chair is standing. The hon. Member should attend to me. I have called him to order because I thought when these words were used that they were not objectionable. So he might continue his speech instead of having a fight over that.

**Shri Frank Anthony:** When I use that language, I submit I used it with restraint.

**Mr. Deputy-Speaker:** If I do not take exception to that, though it has been objected to, why should the Member then get so much sensitive?

**Shri Frank Anthony:** I am objecting to the threat that Shri Gandhi has been pleased to hold out.

I was saying.... (*Interruptions*).

**Mr. Deputy-Speaker:** Order, order. Now, let us listen patiently.

**Shri Frank Anthony:** Let him wear it if the cap fits him. I was saying that the Finance Minister has underlined the fact that on several occasions the Audit Report had preceded the Appropriation Accounts. My friend, Shri Jaipal Singh, who has very particular knowledge in these matters tells me that the Defence Report in 1958 was presented to the House, at least three months before the Appropriation Accounts. That is with regard to the audit report in respect of the Defence for 1958. I am also told that in 1959, the Defence audit report was sent to the President three weeks ahead and that it was only because Parliament was not in session that the report and the Appropriation Accounts were presented simultaneously. In this particular case, the Defence Audit report relates to the accounts of 1958-59, that is, they have been signed almost a year after the close of the financial year. I think it was Shri Barman—Or, I forgot who it was—who referred to the fact that in 1952 the Public Accounts Committee specially asked the Auditor-General to report before the accounts were presented in order to avoid any undue delay.

**Mr. Deputy-Speaker:** If I can interrupt at this stage, I may say that the hon. Speaker only said that the hon. Members should be brief. But he desired that they should try to conclude their remarks within ten minutes. I was going to ring the Bell.

**Shri Frank Anthony:** I will finish in two minutes. I think it was on the 22nd of February that the hon. Speaker himself was pleased to say that he had himself asked the Auditor-

[Shri Frank Anthony]

General to submit an interim report to the House. As has been pointed out, I think by Shri Tyagi, the Defence Ministry is in a peculiar position. Some people may think that it is fortunate or unfortunate according to their point of view. They have their own accounting organisation. I agree with my hon. friend Dr. Ram Subhag Singh when he suggested that the accounting in respect of Defence and the Railways should not be separate. It should, like the other Ministries, be under the direct control and direction of the Auditor-General. Now, what has happened? I am told by my friend, Shri Jaipal Singh, that the Auditor-General has sent a letter to the Speaker; the Speaker mentioned it in the House. Has the Auditor-General stated in that letter whether there was any attempt—I do not say it was deliberate—because of incompetence or any other reason to delay in the presentation of the Appropriation Accounts? What would be the position of the Auditor-General if in the event, in the case of these two Ministries which have their own accounts organisation, deliberately—or, let us give them the benefit of doubt,—from sheer incompetence there is inordinate delay about the Appropriation Accounts? Is the Auditor-General—knowing that irregularities are being perpetrated and have been perpetrated—going to keep this House in the dark? I say it would be dereliction of duty.

**Shri Barman:** I am subject to correction. I think the Director-General of Defence Accounts is under the Auditor-General... (*Some Hon. Members: No.*). I am subject to correction.

**Shri Frank Anthony:** I do not know. But the position is that all that the Auditor-General can do with regard to Defence is to certify the accounts. If the Defence Department, for some reason or the other deliberately does not place all the requisite documents before him, he is helpless. If there is inordinate delay and the irregularities

grow, which in the case of Defence may go to the very root of the security of this country, is the Auditor-General going to keep his mouth shut and not report to Parliament? I agree with Dr. Ram Subhag Singh. He would like to see this practice harden into a rule of law that in the case of Ministries like the Defence and the Railways, where they are their own separate organisations, as a matter of law, or shall we say convention that has hardened into law, the Auditor-General's report should always come to this House in time. I would also like to endorse what my hon. friend Dr. Ram Subhag Singh said. From time to time—there should be no time-limit—whenever the Auditor-General considers it expedient or necessary in the interest of the country, he must report to this House in respect of the irregularities. I feel strongly on this matter and I think this House should take a firm stand and congratulate the Auditor-General for having performed his duties with an extremely high sense of duty. I do not know—Shri Feroze Gandhi has gone out—why he should have been ultrasensitive. Some of us here feel that under the Constitution we have set up deliberately a person with this High office and with extraordinary powers. What are we seeking to do? We are seeking—whether Shri Feroze Gandhi intended it or not—to make the Auditor-General an appendage of the Central Government so that he should toe their line. Shri Feroze Gandhi said that it would be hot for me. I do not mind. I have got broad shoulders but I do not know whether he is suggesting that it will be hot for the Auditor-General.

**Mr. Deputy-Speaker:** Now, I must express my regrets. I shall not be able to give more than ten minutes to anybody. It would be difficult. Four hon. Members from the Opposition want that they should be called and there are other hon. Members also. One hour and thirty minutes is all that we have got.

**Shri M. B. Thakore (Patan):** I have not spoken at all. I may be given time.

**Mr. Deputy-Speaker:** There may be many others also. Now, Shri Braj Raj Singh. I hope the hon. Members would accommodate me today.

**श्री बजराल सिंह :** उपाध्यक्ष महोदय, आज जी विवाद सदन में चला है उससे ऐसा लगता है कि देश पर एक भारी संकट आ रहा है। जब मैं संकट की बात कहता हूँ तो सीमा पर के संकट की ही बात नहीं कहता बल्कि देश की जो अन्दरूनी परिस्थिति है, उसमें भी एक संकट आ रहा है। अभी मेरे मित्र श्री फीरोज़ गांधी बोल रहे थे और अपने भाषण के दौरान उन्होंने एक बात कह दी कि इतनी तेज़ चलने से दुर्घटना हो जाया करती है और वित्त मंत्री को उन्होंने धमकी दी कि संभवतः वित्त मंत्री के साथ कोई दुर्घटना हो जाए। मुझे वित्त मंत्री और रक्षा मंत्री के बीच में अगर कोई खाई है, तो उसमें नहीं पड़ना है . . . . .

**श्री मोरारजी देसाई :** कोई खाई नहीं है, इसको माननीय सदस्य समझ लें।

**श्री खुशबक्त राय :** आपको मालूम नहीं पड़ती है।

**श्री बजराल सिंह :** खाई हो या न हो लेकिन दिखलाने का यह प्रयत्न किया जा रहा है कि खाई नहीं है। मैं तो समझता हूँ कि खाई नहीं बल्कि कोई गड्ढा है। जो हो, जैसा मैं निवेदन कर रहा था कि जो परिस्थिति है, उसमें सरकार की नीतियों के प्रति भी देश की जनता को जागरूक होना चाहिये। इस समय मैं इसमें नहीं जाना चाहता हूँ कि सरकार की नीतियां कितनी गलत हैं। वह चीज बहुत कुछ सदन में आ चुकी है। मुझे लगता है कि यही गलत नीतियां अगर चलती रहें और इसी सरकार के हाथ में देश का शासन सूत्र रहता है तो देश संकट में फंस सकता है।

देश संकट में न फंसे, इसके लिये मैं कुछ सुझाव पेश करना चाहता हूँ। देश में जागरूकता पैदा करने के लिये गौर देश में वैसी स्थिति पैदा करने के लिये जिससे कि देश संकट से बच सके, मैं ये सुझाव रखना चाहता हूँ।

असल में दिक्कत क्या है, इस ओर हमारा सब से पहले ध्यान जाना चाहिये। दिक्कत यह है कि थोड़े से लोग हैं जो कि देश की राजनीति में या यों कहना चाहिये कि सरकार की नीति में दिलचस्पी रखते हैं। लेकिन दूसरों को जान बूझ कर अलग रखा गया है और इसलिये अलग रखा गया है ताकि वे सरकार की नीति जो है उसमें कोई दिलचस्पी ले ही न सकें। जानबूझ कर अगर मैं कह रहा हूँ तो मैं काफी गम्भीरता के साथ इस शब्द का प्रयोग कर रहा हूँ। कहा जाता है कि प्लानिंग कमिशन ने कहा है कि जो हमारे देश में मैन-पावर है, उसको किस तरह से उपयोग में लाया जा सकता है, उसको किस तरह से यूटिलाइज़ किया जाए, इधर ध्यान दिया जाना चाहिये। लेकिन मैं देखता हूँ कि सरकार की तरफ से कोई ऐसा कार्य नहीं किया जा रहा है जिससे कि देश में आठ से दस करोड़ तक जो लोग बेकार रहते हैं, चाहे अर्द्ध बेकार उनको कहा जाए या पूरा बेकार कहा जाए, उनको काम दिलाने के लिए कोई प्रयत्न हो सके। कोई प्रयत्न उधर नहीं हो रहा है। वैसा न करके बनावटी विवादों में हम सदन में पड़ जाते हैं, किसी को एक धमकी दे देते हैं और किसी को दूसरी धमकी दे देते हैं। इसलिये मैं कहना चाहता हूँ कि आज बक्त आ गया है कि यह सदन यह निश्चित करे कि सरकार, चाहे मैनपावर के यूटिलाइजेशन का सवाल हो, चाहे जो गलत नीतियां चल रही है, उनको दुरुस्त करने का सवाल है, अपना दृष्टिकोण बदले और इस सदन की इच्छा का पालन करे।

[श्री ब्रज राज सिंह]

उदाहरण के लिये मैं निवेदन करना चाहता हूँ कि जहाँ तक प्राइस पालिसी का सम्बन्ध है, उस पर बजट के दौरान में बहुत चर्चा हुई है। फाइनेंस बिल पर चर्चा के दौरान में भी उसका काफी जिक्र आया है। राष्ट्रीय विकास परिषद् ने भी एक बारह सदस्यों की समिति बनाई है प्राइस लाइन को होल्ड करने के लिये, मूल्य बढ़े नहीं, इसके उपाय सुझाने के लिये। लेकिन मैं निवेदन करना चाहता हूँ कि वर्तमान नीतियों के चलते क्या कभी यह संभव हो सकता है कि प्राइस लाइन को होल्ड किया जा सके। आप उसको होल्ड नहीं कर सकेंगे। वित्त मंत्री की ओर से जो समीक्षा प्रकाशित की गई है उसमें कहा गया है कि १९५५-५६ में सीरियल्स की जो कीमतें थीं, उसके मुकाबले में अब वे ५२ प्रतिशत बढ़ गई हैं। ये क्यों बढ़ी है, इसकी खोज की जानी चाहिये, इसके पीछे जो कारण हैं, उनका पता लगाया जाना चाहिये। अगर आपने इसका पता नहीं लगाया तो वे बढ़ती ही जायेंगी और आप उन्हें रोक नहीं पायेंगे। इसके लिये मैं निवेदन करना चाहता हूँ कि जब तक हम सही दाम नीति अख्तियार नहीं करेंगे तब तक यह काम हो नहीं सकता है। इसलिये जहाँ तक दाम नीति का सम्बन्ध है, चाहे वह कारखानों की पैदावार से सम्बन्धित हो, चाहे खेत की पैदावार से सम्बन्धित हो, दोनों के बारे में हमें यह पता लगाना पड़ेगा उत्पादन व्यय क्या आता है, उत्पादन का खर्च क्या आता है। कारखानों में उत्पादित चीजों के बारे में तो यह निश्चित हो चुका है, बहुत सी चीजों का जो वहाँ उत्पादन होता है, उनके बारे में तो उत्पादन व्यय का पता लगाया जा चुका है लेकिन जहाँ तक खेती की पैदावार का सम्बन्ध है, उसके उत्पादन व्यय का सम्बन्ध है, उसके बारे में जब कभी प्रश्न उठाया जाता है तो मंत्री महोदय

कह देते हैं कि टेरिफ कमिशन को यह अधिकार नहीं कि वह इसको देख सके, उसको यह काम सौंपा नहीं जा सकता है। देश की ६६ प्रतिशत जनता खेती की पैदावार पर निर्भर करती है। वह जो पैदा करती है उसके बारे में सरकार अब तक यह निश्चित नहीं कर पाई है कि किसी खेती की पैदावार का उत्पादन व्यय क्या आता है। इससे अधिक बड़ी दुर्भाग्यपूर्ण बात और क्या हो सकती है? देश की जनता के लिये यह बहुत ही दुर्भाग्य की बात है कि आप उसको अभी तक इकोनॉमिक कीमत नहीं दे सके हैं। मैं पूछना चाहता हूँ कि कब उसे आप ऐसी कीमत दे सकेंगे जो कि इकोनॉमिक हो और जिसको पाकर वे अपना तथा अपने बाल बच्चों का पेट भर सकें। इस वास्ते मैं निवेदन करना चाहता हूँ कि पहले सरकार यह तय करे कि खेती की पैदावार में उत्पादन व्यय क्या होता है और जब यह तय हो जाये तो उसके बाद यह तय करे, यह निश्चित करे कि जो खेती की पैदावार है वह जब से किसान के हाथ में आती है और बिकती है, तब से दूसरी फसल तक उसकी कीमत में १ आना सेर से अधिक बढ़ोतरी न हो। सरकार ने आज तक इस ओर ध्यान नहीं दिया है। सरकार को पता नहीं है कि भावों के उतार-चढ़ाव के कारण कितना मुनाफा बीच वाले कमा लेते हैं। जिस तरह से खेती की पैदावार की कीमतें फसल के आने के वक्त गौर फिर दूसरी फसल आने तक इस बीच में बढ़ा करती हैं, कभी पांच छः रुपये मन कभी दस रुपये मन और कभी कभी दूगुनी हो जाया करती हैं, उससे बीच वाल कितना रुपया सालाना कमा लेते हैं इसका सरकार को पता नहीं है। मैं समझता हूँ कि ५००

करोड़ से लेकर १००० करोड़ सालाना तक मुनाफा बीच के लोग कमा लेते हैं ।

अभी कुछ चर्चा चलने लगी है कि अन्न के जो राजकीय व्यापार की योजना सरकार ने चलाई थी, उसको वह ढीला करना चाहती है, प्रेगमेटिक एप्रोच अपनाना चाहती है । इस एप्रोच का मतलब यह है कि उसको खत्म कर दिया जाए । मैं पूछना चाहता हूँ कि पांच सौ से लेकर एक हजार करोड़ रुपये तक का जो नाजायज मुनाफा बीच के लोग कमाते हैं, उनको ऐसा करने से रोकने के लिये सरकार की तरफ से कौन सी कार्रवाई की जा रही है । जब तक आप इन सब चीजों को निश्चित नहीं करते हैं, तब तक देश की जनता में विश्वास पैदा नहीं हो सकता है । आज जरूरत इस बात की है कि जनता में विश्वास पैदा किया जाए ।

दूसरी बात जो मैं कहना चाहता हूँ वह भाषा के विषय में है । अभी हमने देखा कि जब माननीय फ्रेंक एन्थनी अपनी भाषण कर रहे थे तो एक विवाद सा चल पड़ा था । मैं निवेदन करना चाहता हूँ कि जिस भाषा को आज भी केवल एक प्रतिशत लोग बोलते हैं सारे देश में उस भाषा में शासन का काम चला कर, राजनीति चला कर पब्लिक का काम करके, क्या हम कभी सारे देश की जनता का विश्वास प्राप्त कर सकते हैं, उसमें विश्वास पैदा कर सकते हैं, उत्साह पैदा कर सकते हैं ? मैं तो समझता हूँ कि नहीं कर सकते हैं । मैं यह बात इसलिये नहीं कहता हूँ कि मैं किसी भाषा के प्रति विद्वेष रखता हूँ, किसी भाषा से मेरी दुश्मनी है । यह बात नहीं है । लेकिन जहां तक देश की राजनीति को चलाने का सम्बन्ध है, प्रशासन को चलाने का सम्बन्ध है, अगर इसको आप

देश की जनता के हित में चलाना चाहते हैं और जनता को बतलाना चाहते हैं कि क्या सीमा पर हो रहा है, क्या सरकार की नीति है, तो वह सब कुछ इस भाषा से उसको नहीं बतलाया जा सकता है, जिस भाषा के साथ आप चिपके हुए हैं । इस भाषा के जरिये से अपनी उस बात को जनता तक नहीं पहुंचा सकते हैं, जनता में अपनी नीतियों के प्रति उत्साह पैदा नहीं कर सकते हैं । इसलिये मैं कहना चाहता हूँ कि हम इस मसले को अधिक न टालें । सीमा पर जो संकट है, उसका भी हमें सामना करना है, वहां जो समस्या पैदा हो गई है, उसको भी हमें हल करना है । आज चीन के प्रधान मंत्री हमारे देश में आये हुए हैं और हमारे प्रधान मंत्री के साथ उनकी बातचीत चल रही है । मेरी तो यही इच्छा है कि वह बातचीत सफल हो और हमारी शुभकामनायें उनके साथ हैं । लेकिन उपाध्यक्ष महोदय अगर किसी बजह से वह समस्या हल नहीं होती है तो क्या यह चीज निश्चित नहीं है कि सारे देश की जनता को हमें उठाना पड़ेगा । यदि हमें सारी जनता को उठाना पड़ेगा तो जब तक जनता को यह मालूम नहीं होता है कि सीमा पर क्या हो रहा है तब तक जनता कैसे उठेगी ।

मैं एक दूसरी बात भी कहना चाहता हूँ । हमें निश्चित रूप से अपनी इस भाषा नीति को भी बदलना पड़ेगा । हमें यह निश्चित करना होगा कि हमें अंग्रेजी भाषा को कितना प्रोत्साहन देना है जिसे कि एक फी सदी लोग भी जानते हैं और हमारी अपनी जो मादरी ज़बानें हैं, मातृ भाषायें हैं, उनको कितना प्रोत्साहन देना है जब तक हम इस चीज को तय नहीं करते हैं, कोई निश्चय नहीं लेते हैं, तब तक मैं समझता हूँ कि देश की जनता में उत्साह पैदा नहीं किया जा सकती है ।



[श्री ब्रज राज सिंह]

मैंने यह बात इसलिये कही है कि देश की जनता अब महसूस करने लगी है कि देश पर एक संकट आ गया है जिस का मुकाबला करना आवश्यक है। आज जनता यह भी कहने लग गई है कि अगर कहीं चीनी आ जाते हैं या कोई दूसरा आ जाता है तो क्या वे इन से ज्यादा बुरे होंगे। इससे और ज्यादा दुर्भाग्यपूर्ण स्थिति और दूसरी नहीं हो सकती है। मुझे भय है कि आज देश की जनता का बहुमत इस तरह का है जो कि सारी परिस्थिति को समझता नहीं है, सारी बातों को समझता नहीं है और कुछ भी होता रहे, उसको कोई मतलब नहीं है। इसलिये मैं कहूंगा कि अब वक्त आ गया है जब सरकार को अपनी सारी नीतियों पर गम्भीरता पूर्वक पुनः विचार करना चाहिये। ऐसा लगता है कि मंत्रिमंडल के अन्दर भी आपस में मतभेद हैं, कांग्रेस पार्टी के अन्दर तो मतभेद हैं ही। ये सब चीजें जिस तरह से चल रही हैं उससे पता चलता है कि देश पर एक खतरा आ सकता है और उस खतरे से देश को बचाने के लिये यह आवश्यक हो गया है कि हम जो कि जनता के प्रतिनिधि बन कर यहां आते हैं, हमारी जो देश की जनता मालिक है, उस जनता को इन सारी नीतियों से अवगत करें। इसलिये मैं कहूंगा कि उन्हीं सब कार्यक्रमों को ले कर हम सरकार के सामने आयें, लेकिन यह सरकार उन्हें मानने के लिये तैयार नहीं है। मैं आपकी इजाजत से एक बात कह दूं कि हम निश्चित रूप से इस देश में कहते रहे हैं कि देश की जनता को जगाने के लिये हमेशा जनतंत्र में सत्याग्रह का स्थान होना चाहिये। हमने इस के लिये हमेशा कहा, लेकिन सरकार के लोग कहते थे कि नहीं, सत्याग्रह का कोई स्थान नहीं होना चाहिये। पर जब दिल्ली में कांग्रेस की सरकार मौजूद थी तो उन्हीं के राज्य में एक दूसरे सूबे में इस तरह की स्थिति आई और उन्होंने

खुद भी सत्याग्रह किया तथा सत्याग्रह कर के वहां की चुनी हुई सरकार को हटाया। हम किसी चुनी हुई सरकार को हटाना नहीं चाहते हैं, देश की सोशलिस्ट पार्टी ने सरकार के सामने कुछ मांगें रखीं और कहा कि वह उन को मान ले, लेकिन उन की तो जवाब देने की आदत नहीं है, वह उन को सुनने के लिये भी तैयार नहीं है, जहां दूसरी तरफ केरल की सरकार कहती थी उन लोगों से जो कि मुक्ति आन्दोलन के प्रवर्तक थे कि आओ, हमारे साथ बात करो, समझौता करो, लेकिन आप सुनने के लिये तैयार नहीं थे। मैं कहना चाहता हूं कि इस देश को उठाने के लिये यह जरूरी हो गया है कि सरकार खुद जागे और देश की नीति में आमूल चूल परिवर्तन करे। अगर वह इस के लिये तैयार नहीं होती है तो मैं आपकी इजाजत से कह देना चाहता हूं कि १ मई से देश में सोशलिस्ट पार्टी की तरफ से जो आन्दोलन चल रहा है, उस के लिये सरकार जिम्मेदार होगी। हम सरकार को हटाना नहीं चाहते हैं, हम देश को मजबूत बनाना चाहते हैं। इस देश को मजबूत बनाने के लिये यह आवश्यक हो गया है कि हम इस देश की जनता को जगायें। देश की जनता जब जागेगी तभी सारे देश में सही नीति अपनाई जा सकती है। मैं समझता हूं कि सरकार जल्दी से सुधर जाय और जल्दी से सम्भल ले। देर आयद, दुरुस्त आयद वाली कहावत को वह मान ले तो भी देश का भला हो सकता है और सरकार की जान बच सकती है। अगर वह इस बात को नहीं मानेंगी तो आज नहीं तो कल आखिर उसे हटाना ही पड़ेगा क्योंकि देश की जनता उसे बर्दाश्त नहीं करेगी।

**Dr. Atchamamba (Vijayavada):**  
Sir, it is proper that we should give first priority to defence because we want to protect our borders against external enemies. But we have internal enemies also to fight against, and the greatest enemy that we have

got in our country is poverty. The best way of attacking it is to see that we have sufficient food for all the hungry mouths.

In order to achieve this, we must conserve all water that is available in our country. Conservation of water means prosperity of a country. America and India are similar in that respect. They have the same quantity of water resources—1300 acre feet of water. At the beginning of the century—that is, 1900—Roosevelt, the then President of America, saw this very clearly and he appointed a commission to go into this matter. At that time they had conserved water only to the extent of 14½ million acre feet of water. But today, after Roosevelt took up this work, in 1960, we have in America 600 million acre feet of water conserved.

They have plenty of food, we know, and they are sending food to other countries like India. Even then they are going on with this process of conservation. In India also we have 1,300 million acre feet of water resources. Even after finishing the Bhakra-Nangal and other projects which we have started in the first and the second Five Year Plans, we will not have more than ten million to 12 million acre-feet of water conserved. The conservation of water is necessary for production. Only then, the irrigable land that lies in our country will be able to produce food. We must know that in spite of the fact that America is quite big and all that, we have twice the amount of irrigable land in our country compared to America. Yet, we have got today only about 12 million acre-feet of water conserved. That means, we will have to buy crores and crores of rupees' worth of food from other countries which really we do not want to, and that again means so much of money goes out of the country. At the same time, for feeding our people, we must have more and more of these projects.

We know that in the third Five Year Plan, the amount of money allotted is just enough or perhaps not large enough to finish the projects that have been started in the first and second Five Year Plans. Then what are we going to do? Are we going to buy food from other countries eternally?

Another thing is family planning. Of course, the population is increasing though it may be slowly increasing. But still it is increasing. So, as it is, we are not able to provide food for the population that is today mentioned in the census figures. After ten years, what are we going to do? What we have to do is this. We must give great priority to food, next only to defence. Food is of great importance. In the third Five Year Plan, if we are not going to have more projects, I must say that we are going to suffer from want of food and other things, and the progress of the country will suffer. That is one important aspect.

The next is with regard to education. We have to pay special attention to technical and scientific education of our people. Scientific progress means the progress of the country. Progress of any country depends upon its scientific progress. In this connection, I must say that we the people of this country as well as the Government are developing a peculiar and a very dangerous attitude, and that is, we think that any foreigner from any foreign country knows better than any of us, any of our technical people. For every simple thing, we are anxious to get a foreigner and we pay enormously and we get as many foreign technicians as possible. Not only that. If any foreign technician, or supposed foreign technician, says this is good and this is bad and passes his judgment, we are prepared to accept it with cent per cent conviction rather than accepting the view of our own technicians who may be hundred or thousand times better than the foreign technicians. I feel that this attitude

[Dr. Atchamamba]

of our people must change. Maybe it is remnant of the slavish attitude that we had developed because of the hundreds of years of foreign rule, but we have to change this attitude. There is no use of getting independence without changing this attitude of course. We find that this country today—please excuse me for saying it—is exploited much more by the foreigners than it had ever been. That is how I feel. The number of things, the amount of foreign contracts and the amount of foreign experts for whom we are paying enormously and fabulously go to prove that.

We know recently there was trouble in the Bhakra dam. We have got more confidence in Mr. Slocum from America, who is not even an engineer, than in our engineers who tackled it an instant and in a very simple way! Some of our great engineers are considered as the greatest engineers in the world arena. Yet, we have no confidence in them. So, this attitude must change. Otherwise, we would be getting into a very, very dangerous morass. I am afraid about it.

Finance is very important. But along with finance we have to do a lot of propoganda to change the attitude of the people. They must be made to feel that these Five Year Plans are their own and that they must all join hands with the Government in order to make these Plans a success. For this, we must educate the people and get the help of the masses. Otherwise, we will not be able to do anything. Manpower is one of the greatest of finances that we have to get hold of and which we have not tapped at all practically. When we go to the villages where these projects are being developed or where some of the social welfare projects are being worked, the people feel—that is what we find—that it is all the job of the Government and they say, “the Government can do this and that” as if they have no part in it at all. Unless this attitude changes, progress

is impossible, and we will have to spend more money and involve ourselves into greater debts. How long are we to depend upon our countries like this, if our own people are not coming forward to join hands with the Government in the Five Year Plans and see that they can be a great success?

Of course, in the education in our schools and colleges, we have to attach importance to this subject and teach these people to take pride in our own country and not think only in terms of foreign countries. The other day, I was seeing that our own hon. Members got up one after another, in the course of discussing the Bhakra-Nangal damage, and they were condemning our engineers and saying “Our engineers are no good; get foreign engineers”. They were clamouring for foreign engineers. When this attitude is with us, Members, we are supposed to be representatives of our people, I want to know how the attitude will be in the case of our commoners who do not know many of these things. Naturally, then the common people believe that we in India have no good engineers. Even when people from small foreign countries like Norway, Denmark, Sweden, Switzerland, etc. come here and say, “We are experts in this or that,” we say they are good and take them at their word and use them. So, we must change this attitude. In the schools and colleges, we have to teach the students to respect our own country and to have pride in our own culture and in our heritage. This is a very important factor.

Then, we have taken up compulsory and free education for children from 6 to 11 years of age.

**Mr. Deputy-Speaker:** The hon. Member's time is up.

**Dr. Atchamamba:** I shall finish in three minutes. That programme is very laudable. But we have neglected the age-group of 3-6. That is the beginning age-group for purposes of

education but we have completely neglected it. It is a very important age-group. As a doctor and a mother, I can tell you that it is only in the age-group of 3-6 that the greatest absorption of knowledge is done in any country in any kind of society. At this time, that is, at this age-group, if we neglect the children and begin the education only at the age of six, it means we have lost much time and by that time the children reach the age of six, the brain would have already developed to a very great extent.

There is a story which I may narrate in this connection. A mother, with her child which was three months old, went to Dr. Johnson and asked him when she could begin the education for her child. Dr. Johnson asked her how old was the child and she replied it was three months old. Dr. Johnson said, "You have lost three months". So, that means the child, as soon as it is born, begins to take in knowledge and especially, in the age-group 3-6, the brains and senses begin to sharpen, and that is why we have the Montessori schools and other ancient methods of teaching being started at that age, when both the brain and the other senses are sharpened. But we neglect that aspect of the matter and give no thought to it at all. If we neglect this aspect, it will be a very disastrous thing for our next generation. That is why I must bring it to the notice of the Government. Regarding free and compulsory education, we have endeavoured to bring in a number of schools and teachers to the maximum extent possible so far. That is very good and that is a very useful thing. We have to think of further measures in this regard.

Then there is the question of poverty. Poverty is so great that most of the poor children, even at the age of six, are sent out for work either in the field or in private houses. For these people, unless you feed them, it is not possible to send them to school.

**Shri Tyagi:** Should not each mother be entrusted with the children?

**Dr. Atchamamba:** I am referring to children between three and six years of age and in that case, not only the mother but the specialists come into the picture. That is why the Montessori system and other systems have come. Every mother cannot be a specialist in using the techniques and all that. Special facilities cannot be given in each home. As it is we are very poor and so these facilities can be given in schools, specially for this purpose. Now, I take up the question of justice. I must say that in our country justice can be had only by the rich and not the poor man, and it is so because of the delay and also the cost involved. The cost is enormous and no man can afford it unless he is very rich and has the leisure to go round the courts for years and years. There is a case of a simple woman who is asking for the property that she should get. Now, it is ten years since that case has been going on. Even then it is not finished. It is in the high court. Of course, there is not one but there are hundreds of similar cases.

**Mr. Deputy-Speaker:** The hon. Member must finish.

**Shri Khadilkar:** I will try to be very brief in my observations. I welcome some of the token mercies shown by the Finance Minister. Unfortunately for me and fortunately for the Finance Minister, so long all attention was diverted to defence, forgetting one aspect that defence of a country depends entirely on the growth of economy. That aspect is completely ignored and perhaps the Finance Minister is quite happy about it. Before touching some of the theoretical problems which really deserve immediate attention, I want to point out certain aspects or certain interests which he has completely neglected while declaring the concessions yesterday.

[Shri Khadilkar]

Firstly, I would like to draw his attention to the imposition of income-tax on productive co-operatives. He knows fully well that in Maharashtra and some other Southern States also co-operative form of production has taken roots and the credit for that goes to the former Finance Minister of Bombay State and his one-time colleague, Shri Vaikuntbhai Mehta. They deserve some concession. Whatever little concessions he has given are not going to benefit those societies which are already in production. Though he has now extended the limit of development rebate to seven years, I would submit that those co-operative societies are not going to get any benefit out of it. These societies are building up the primary accumulations, laying down the new pattern of development which, as a matter of ideal, your party has placed before the country. They are already hit very hard and therefore, if you want to develop the production sector this is the time to show them some concession. I am not basing my argument just on the recommendations of the Taxation Enquiry Committee, who have examined this problem very thoroughly, but on a simple pragmatic consideration. I would appeal to him that they should be given some concession. Now, according to their present method of accounting, their financial year ends in July. That should also be taken into consideration while assessing them and the income-tax authorities should pay due regard to their present accounting method so that they will not suffer much. I do accept that the fact that the statement he has made is re-assuring, so far as the co-operative sector is concerned, but this aspect perhaps went unnoticed. If co-operative societies, particularly production societies, are taxed like that, they will lose much.

Another crucial aspect relates to transport. Transport in our country

is as important as having more water canals for agriculture. The development of transport is absolutely necessary in a developing economy. Unfortunately, that aspect has been completely ignored. Recently, the Chairman of Lever Brothers has drawn pointed attention to this aspect of our economy and others have stated that the Central Governments are treating the transport industry as if it is a milch cow. The concessions announced do not benefit them. They were on strike for some time and now because of their difficulties they have withdrawn it. I would appeal to the hon. Finance Minister to apply his mind afresh to our transport economy. In a backward country you should really assist the hinterland in bringing their produce to the commercial centres and making our economy more broad-based by having a little more mobility in it. The third point relates to a small industry. I feel that our Union Government has rather come down in the estimation of the common people when the Finance Minister announced a tax on bicycles. I thought that bicycle tax was meant for a municipality, because the municipalities used to tax these things. Now the Finance Minister of the Union Government, in search of some resources, goes out of his way to tax a bi-cycle, the poor man's vehicle, which does not behove the dignity of the Finance Minister of the Indian Union.

Coming to the theoretical aspect, one or two things must, of course, be mentioned. Three wise men—by 'wise men' I mean the leaders of the International Bank Mission—who had come here, it seems as if they are going to lay down the size of the Plan, as also the pattern of investment. Are we going to tolerate all this? Is it really beneficial to a developing economy like ours?

**Shri Naushir Bharucha** (East Khandesh): Beggars cannot be choosers.

**Shri Khadilkar:** The borrowers can be choosers, provided they are self-reliant. For the benefit of the Finance Minister, I would like to point out that recently a senior Cambridge economist who has no bias, has pointed particularly to this aspect of the International Monetary aid that is aimed at helping the backward economies to develop, and develop in such a way that they could stand up with the socialist development across the border. What has he got to say? I will just make a small reference, because the time at my disposal is short. He says:

“Nevertheless, there can be little doubt that private investment is not a sufficiently broad basis on which to start a self-generating process of expansion. Inasmuch as foreign investors have exerted their pressure against State enterprise, they may, in the long run, do harm rather than help the poor countries.”

This observation of an independent economist and eminent thinker must be taken into consideration. Though we are needing help, we must depend upon ourselves. I do agree that we are not choosers; we are borrowers and we have no other go. But, at the same time, as the hon. Dr. Atchamamba has pointed out in this connection, there is some slavishness which is really disgusting. Our Food Minister, instead of growing more food and trying to devise ways and means to achieve self-sufficiency, goes to America and says “I am going to get food from there to the tune of so many crores” and we feel proud about it. Is this the patriotism? Unless we change this outlook, I am afraid, we are not going to make any progress.

So far as the present budget is concerned, this timid and inflationary budget is neither capable of measuring up the stern necessities of the present, nor the swiftly increasing needs of the future. We are in a

sort of rut and we talk of the take-off. We do not know when the take-off gear will be lifted up and the country will be taken out of the economic rut in which we are all the while moving about round and round. If we want to apply our mind very seriously to this problem when there is a challenge on the border and we are very much exercised about defence, that feeling would be wrongly placed unless we on the home front and on the economic front are prepared to build ourselves. Keeping this in mind, when I look at the budget and the taxation proposals, what do I find? Yesterday, two ex-hon. Ministers pointed out.....

**Mr. Deputy-Speaker:** They may be ex-Ministers but not ex-hon. Ministers.

**Shri Khadilkar:** The hon. Member, Shri Jain, pointed out that so far as taxation goes, when profits are going up, production is going up, we find the contribution of direct tax to the revenue is very very limited. This is a phenomenon which needs to be examined.

One word more and I am done. Our problems, basic economic problems, are not usually discussed in this House. They are discussed usually in the Federation's annual meetings. And when they were discussing this, what did our Prime Minister say? I will just read only one sentence.

He has observed:

“A war could not be left to be fought to any firm of free enterprise. In the same way only through planned approach and not through individual enterprise could a nation go forward in a short time.”

He said:

“...and I believe in this ideal. It may be difficult to reach it—in an egalitarian society with no great differences. I dislike the

[Shri Khadilkar]

vulgarity of the rich as much as the poverty of the poor. Both are degrading."

Unfortunately, while framing the Budget of course the Finance Minister has not raised that hypocritical cry of socialism anywhere, either in his opening speech or in his reply. I congratulate him—to be very frank about it. But, at the same time, he has had two things before him. One thing he is looking at is the ideal of the emerging Swantantra Party in opposition to the Congress outside—of course, the real opposition is inside. That Party is acting as a veto on Indian progress. Whether it is the question of co-operation or of State trading, on every question directly or indirectly the Swantantra Party from outside is exercising a certain amount of veto on our thinking and on our programmes.

Another aspect which he had before him is that he wanted to appease the international bankers, the three wise men who are emphasising private enterprise and the pruning of the Plan. They have already said, "Your Plan is a little too big. Have only the core." They have made another suggestion. Particularly Mr. Frank who is a leading banker wants to advocate dear money by increase in the bank rate. What effects it will have on our economy he has not pointed out.

Therefore, in the present context of our situation I would appeal to the hon. Finance Minister, though I have said certain things of a minor nature which need his immediate attention, that the basic problem of our economy must be looked at from this point of view. If the hon. Finance Minister is going to look at it having one eye on the Swantantra Party and another eye on the international bankers and carry on the Indian economy in this way, then I think you might just look at the frontiers but the home front will be weak and it will collapse.

With these words I conclude.

**Shri Morarka:** Mr. Deputy-Speaker, Sir in the short time that you have allotted to me I would like to refer only to two points. One of them is about the Audit report which has invoked so much of controversy and has raised questions of Constitutional propriety. The other, time permitting, I would like to say something about the customs.

About the Audit report first of all, I would like to place before you some facts. This Audit Report, 1960, was placed on the Table of the House on the 8th April, 1960 and at that time on that day no objection whatever was taken by any hon. Member here. On the 9th April, 1960, for the first time when Shri Goray wanted to make a reference to that report a point of order was raised by Shri Jaganatha Rao. And what was the point of order? He said that since this Report was to go to the Public Accounts Committee and since the Report was placed on the Table of the House only on the previous day, it should not be allowed to be referred to. At that time there was no procedural irregularity pointed out. There was no other ground on which the placing of the Report was objected to. Only the practical difficulty was printed out, namely, that since the Report was placed on the Table of the House only on the previous day it should not be allowed to be referred to. That point of order, as you know, was over-ruled.

Thereafter, another objection was taken about this Report, namely, that this Report has been hustled, that this Report was not submitted in the usual course and that six weeks' time, which is usually given to the ministries, was not given in this case. Later on it transpired that out of eight chapters seven chapters were

submitted to the Ministry in the ordinary course and only the last chapter was not submitted. That point was also then given up.

Later on the question was raised that this Report contains matters too old and when it was found that the English report contains matters of the time of William the Third even today that point lost its validity. Then it was suggested that this Report contains matters too new, that means current matters, and also that before the end of the financial year the Report should not have been submitted. When it was pointed out to them that this Report relates to the Appropriation Accounts for the year 1958-59 and not for the year 1959-60, even that point was given up.

The final point on which objection was then raised was that this Report was not accompanied by the Appropriation Accounts. Technically and strictly speaking there may be some validity in this point. I am not here to quarrel about that. But there are two main points on which you must test this issue. The first is whether it is the first time that an Audit Report has been submitted to this House without the Appropriation Accounts or has there been such a pardonable lapse even in the past. What has happened is that even last year and the year before last the Audit Reports concerning this very Ministry have been submitted to this House without the relevant Appropriation Accounts. The Appropriation Accounts came later on. As it was pointed out here, the Appropriation Accounts relating to the Ministry of Defence are compiled and prepared not by the staff of the Auditor-General but by the accounting staff of the Defence Ministry. The Auditor-General is, so to say, at the mercy of this staff and has to certify the accounts only when they are submitted to him. I believe there have been instances when there have been several reminders sent by the Auditor-General for the submission of these accounts and in spite of them the

accounts have not been submitted. Under such conditions what does this House expect the Auditor-General to do? Does it want that the Auditor-General should not submit his report and keep it pending till the accounts are forthcoming which may be at the sweet will of the Ministry or should he proceed with the submission of the Audit Report and say that ~~as~~ and when the Appropriation Accounts are submitted he would submit them to this House?

As my hon. friend, Shri Tyagi, pointed out this morning, in this whole controversy the main issues have been clouded. The question is this. Is this Report a serious enough report to be brought to the notice of this House or is it only a trivial report for which the Auditor-General could have waited for some time? With great respect I may say that I am one who has read this Report with care and in detail and I find that the Report discloses serious irregularities. If the Auditor-General has made this Report available to the House at a time when the Defence Ministry's demands were about to be discussed—I am prepared to concede that the Auditor-General deliberately did it—even then, I think, he has rendered yeoman service to this House. He has done nothing wrong.

**Shri Naushir Bharucha:** On a point of order, Sir. It is unfair to the Auditor-General to say that he has deliberately synchronised his Report with the.....

**Mr. Deputy-Speaker:** No. He has conditioned it. He says that even if it were so, then too he has not done anything wrong and has done a service to this House. This is what he said.

**Shri Tyagi:** The same light.

**Shri Morarka:** The one minute must be taken away from his time.

I was saying that if the Auditor-General has submitted this Report to this House to enable hon. Members



[Shri Morarka]

to comment at the time of the discussion on the demands of the concerned Ministry, I think the Auditor-General has only performed his duty the way this House expects him to perform.

**Shri Tyagi:** But the hon. Members have not.

**Shri Morarka:** Unfortunately, as the hon. Member said, the Report came just a day previous to the discussion and all hon. Members did not have the opportunity to study it in detail. Usually the Report is submitted in the month of June or July. This time, with some effort, it could be submitted in the month of March. I think this is good progress made by the Auditor-General and we must congratulate him.

I would not say anything more about this except that this controversy has served no purpose other than this that it has encouraged some of us to make some research about the past precedents and past pronouncements of the Public Accounts Committee. It has extracted an assurance from the Government that soon they are going to bring forward a Bill which will define the powers and the authority of the Auditor-General. I hope that it would not be taken as a reflection in any quarter in this country that it is this controversy which has persuaded the Government to bring this Bill because the Government feels that the Auditor-General has exceeded his powers. I want the hon. Finance Minister to make this point quite clear in his speech today that the Auditor-General did nothing more and nothing less than performing his duties and that the proposed Bill which the Government is bringing forward was under contemplation since long and is not because of the present controversy.

**Shri Morarji Desai:** May I say that I am bringing the Bill at the instance of the Auditor-General? Where is the question of any reflection or anything?

15 hrs.

**Shri Morarka:** Sir, only a few words about Customs and I have finished. I hope the Finance Minister would agree with me that the smuggling of imported goods have not yet been fully checked. As a matter of fact, the feeling is that when more and more curbs are put on the import, we find more and more smuggled goods in the market.

Since the time is very short, I would only mention briefly the points.

The first is about bonded warehouses. I feel the control on them is very loose.

The second point I want to make is that the goods which are confiscated by Customs are not disposed of by the Customs authorities in time. I believe the goods confiscated in the year 1951 are still pending disposal, so much so that they have deteriorated, and they would be sold only as scrap. Here lakhs and lakhs of rupees are involved.

The third point I want to make is that even from the strong room of the Customs authorities valuable goods are stolen, such as gold and diamond. I hope the Finance Minister would give his personal attention to this matter, make enquiries and tighten up the administration.

Before I sit down I want to make a reference to one case, and that also concerns the smuggling and is related to Customs. I believe there was one officer of the Indian Navy who was apprehended by the Indian Customs for smuggling. This officer was handed over to the Naval authorities for court-martial. He was found guilty. Convicted. Sentenced to two years' rigorous imprisonment. He was immediately handed over to the Arthur Road prison, civil authorities. He served his term there for some time. Then he was transferred to Yerwada jail, Poona. He served his sentence

there for little more than a month, and then he filed his appeal to the Naval Headquarters. I do not know what happened to the appeal. But I came to know that he was released from the prison and departmental action was taken against him where he lost his seniority or some such thing.

**Shri C. D. Pande** (Naini Tal): Not his job?

**Shri Morarka**: That officer is still serving in the Navy in Lonavla on SS Shivaji. I do not know how the Navy rules can permit a person who is convicted and sentenced to imprisonment and who has served his term of imprisonment to some extent in a civil prison, to be reinstated. I would like the Finance Minister to tell the House as to the circumstances under which this officer was convicted, what was he guilty of, and how he was ultimately released and taken back into service.

**Shri Tyagi**: Thank God he was not promoted!

**श्री वाजपेयी (बलरामपुर)** : उपाध्यक्ष महोदय, इस के पहले कि मैं कर प्रस्तावों के सम्बन्ध में कुछ कहूं, भारत और चीन के प्रधान मंत्रियों के बीच में जो वार्ता चल रही है, उस के सम्बन्ध में दो शब्द कहना चाहता हूं। हमारे प्रधान मंत्री ने हवाई अड्डे पर और कल राजकीय भोज में भाषण करते हुये जिन भावनाओं का प्रकटीकरण किया है, उन के लिये मैं उन्हें बधाई देना चाहता हूं। सम्पूर्ण राष्ट्र की भावनायें उन के शब्दों से प्रकट हुई हैं और मुझे विश्वास है कि इस वार्ता के अन्त तक वह इसी दृढ़ता का परिचय देंगे। चीन के प्रधान मंत्री सारे विवाद को कम कर के बताने की कोशिश कर रहे हैं। मैं उन से एक ही बात कहना चाहता हूं कि अगर श्री चाऊ एन लाई हमारे आज के प्रधान मंत्री के साथ समझौता करने में सफल नहीं होते और जो मित्रता चली गई

है चीन के आक्रमण के परिणामस्वरूप, उस को कायम करने में उन्हें कामयाबी नहीं मिलती तो भारत के साथ हजार, दस हजार और लाख साल तक मित्रता स्थापित करने की भविष्यवाणी उन की पूरी नहीं होगी। मैं समझता हूं कि हमारे आज के प्रधान मंत्री जिस प्रकार चीन की मित्रता चाहते हैं, शायद इस प्रकार की मित्रता भविष्य में चाहने वाला व्यक्ति प्रधान मंत्री के आसन पर बिराजमान न हो, और मैं समझता हूं कि चीन के नेताओं को इस अवसर का लाभ उठाना चाहिये, और जो भी गलतियां हुई हैं, जैसा कि हमारे प्रधान मंत्री जी ने कहा है, उन्हें ठीक करने की कोशिश करनी चाहिये।

हमारे वित्त मंत्री ने कल कुछ कटौतियों की घोषणायें की हैं। मैं समझता हूं कि वे अपर्याप्त हैं। साइकिल पर किसी भी रूप में टैक्स लगाने का समर्थन नहीं किया जा सकता। केन्द्रीय सरकार साइकिल पर टैक्स लगाये, यह तो अलग रहा, दिल्ली कारपोरेशन में, जिन में कांग्रेस पार्टी भी सम्मिलित है, सभी दल यह मांग करते हैं कि कारपोरेशन भी साइकिल के ऊपर टैक्स न लगाये। जन साधारण की सबारी है। एक और तो हमारे वित्त मंत्री मोटर पर एक्साइज ड्यूटी कम कर रहे हैं और दूसरी ओर साइकिल पर नई एक्साइज ड्यूटी लगा रहे हैं। मैं समझता हूं कि साइकिल पर ड्यूटी लगाने का कोई औचित्य नहीं है।

**श्री त्यागी** : इसे हटा लो।

**श्री वाजपेयी** : उन्होंने अल्यूमीनियम की सीटों पर, चदरों पर और चक्कों के ऊपर भी कुछ कटौती की घोषणा की है। लेकिन उनकी घोषणा से यह स्पष्ट नहीं होता कि जो लोग पुराने टूटे फूटे अल्यूमीनियम का उपयोग कर

[श्री वाजपेयी]

के उसकी चद्दरें और चक्के बना कर बर्तन बनाते हैं, उनको एक्साइज ड्यूटी क्यों देनी चाहिये। जब बड़े बड़े कारखानों में अल्यूमीनियम की चद्दरें और चक्के बनते हैं तो उन पर एक बार एक्साइज ड्यूटी ले ली जाती है। जब वे टूट फूट जाते हैं और उसको बर्तन बनाने के लिये उपयोग किया जाता है तो उस पर एक्साइज ड्यूटी ली गई है। हमारे वित्त मंत्री कहते हैं कि २०० ६० प्रति मीट्रिक टन यह ड्यूटी लगेगी। मैं समझता हूँ कि इस सम्बन्ध में भी उन्हें पुनर्विचार करना चाहिये। अल्यूमीनियम के बर्तन बड़े लोगों के काम में नहीं आते, जनसाधारण के उपयोग की वस्तु है, उस पर भी दो जगह ड्यूटी लगाई जाय, यह ठीक नहीं दिखाई देता।

जो एंजिन बनते हैं अन्दर से चलने वाले, उन सब तरह के एंजिनों पर भी ड्यूटी लगा दी गई है। इसके सम्बन्ध में मैं वित्तमंत्री महोदय से एक स्पष्टीकरण चाहूंगा। अभी वित्त मंत्रालय ने एक आदेश प्रसारित किया है जिसके अन्तर्गत जो भी एंजिन बनते हैं उनकी कीमत ४४०० ६० तय कर दी गई है जबकि स्थिति यह है कि गाजियाबाद, पंजाब और दिल्ली में ऐसे एंजिन तैयार होते हैं जिनकी कीमत २३०० ६० से ज्यादा नहीं है। लेकिन जिन एंजिनों की कीमत २३०० ६० है उसके निर्माताओं से भी कहा जा रहा है कि तुम्हारे एंजिनों की कीमत ४४०० ६० है और तुम्हें उतनी ड्यूटी देनी चाहिये। मैं नहीं समझता कि यह आदेश कैसे प्रसारित किया गया है। उनकी कीमत २३०० ६० है यह उत्तर प्रदेश एक्साइज डिपार्टमेंट द्वारा पिछले १२ महीनों में उनकी बिन्नी के रेकार्ड को देख कर तय कर दिया गया है। उनके एंजिन २३०० ६० में बेचे जाते हैं और खरीदे जाते हैं। हां, कुछ बड़े कारखाने हैं, किलास्कर है, कूपर है, वह ४४०० ६० के इंजिन बनाते हैं, वे ब्लैक

मार्केट में ऊंचे दामों पर भी बिकते हैं। लेकिन यह जो एंजिन बनते हैं छोटे पैमाने पर गाजियाबाद, पंजाब और दिल्ली में, वह २३०० ६० के ही बनते हैं मगर अब उन को कहा जा रहा है कि तुम्हें इतनी ड्यूटी अपने ४४०० ६० के एंजिन पर देनी पड़ेगी। कुछ निर्माता रेवेन्यू बोर्ड के अधिकारियों से मिले और उन से कहा कि आपने इतनी ड्यूटी लगा दी, यह अच्छा नहीं किया। मुझे यह सुन कर बड़ा ताज्जुब हुआ कि एक अफसर ने उनसे कहा कि अगर हम आप के एंजिनों पर ड्यूटी न लगायेंगे तो फिर किलास्कर और कूपर के एंजिन बिकेंगे कैसे? मैं नहीं जानता कि यह कहाँ तक ठीक है।

**Shri Morarji Desai:** I do not think that would have been said.

**श्री वाजपेयी :** जो निर्माता उन से मिल कर आये हैं उन्होंने यह कहा है। मैं चाहता हूँ कि यह बात गलत हो, यह होना नहीं चाहिये कि उनसे वह ड्यूटी ली जाये जो ४४००६० के एंजिनों से ली जाती है। मैं समझता हूँ कि इसके लिये कोई आधार नहीं है और वित्त मंत्रालय को इसके सम्बन्ध में विचार करना चाहिये।

कटपीस के ऊपर एक्साइज ड्यूटी लगाई गई है। मैं समझता हूँ कि मिल के मालिक जो अच्छा कपड़ा कटपीस के रूप में बेच देते हैं उसको रोकने के लिये एक्साइज ड्यूटी लगाई गई है। लेकिन गलती करते हैं मिल मालिक और गर्दन पकड़ी जा रही है छोटे कटपीस के व्यापारियों की। अब हमारे वित्त मंत्री महोदय ने दो गज की सीमा को बढ़ा कर सवा दो गज कर दिया है। मैं समझता हूँ कि अगर वह ढाई गज तक बढ़ाई जाती तो अच्छा होता। ढाई गज कपड़े की एक ऐसी माप है जिसमें पहनने

के कांडे पाचारण तथा सब व्यक्तियों के सिरे  
 जा सकते हैं, और अगर मिलें गड़बड़ी करती हैं  
 तो उसका नियन्त्रण मिल में होना चाहिये।  
 अर्थात् कपड़ा कटपीस के रूप में बाजार में  
 मान एक अंपराष है, उसको रोकने की  
 व्यवस्था की जाये और नई नई इ्यूटी लगाई  
 जा रही है। मैं समझता हूँ कि कटपीस की  
 परिभाषा में संशोधन करने की आवश्यकता  
 नहीं थी। अगर एक साल हम इ्यूटी लगाने के  
 परिणाम को देख लें और अगली बार इस  
 पर विचार करते तो कोई इतनी आपत्ति की  
 बात नहीं थी। लेकिन वित्त मंत्री जी ने थोड़ा  
 कंसेशन दिया है। मैं उनसे मांग करूंगा कि वह  
 सवा दो गज से बढ़ा कर ढाई गज कर दें तो  
 अच्छा होगा।

मैं जो समिति बनी थी उसने एक जगह रपोर्ट में  
 लिखा है: 'डिटरमिड एक्ट्स अर बीइंग मेड।'।  
 जो पुराना बकाया है उसको वसूल करने का  
 पूरा प्रयत्न किया जा रहा है। मगर  
 उन्होंने जो आंकड़े दिये हैं अपनी रिपोर्ट में वे  
 इस बात की गवाही नहीं देते कि नई सरकार  
 पूरी तरह से कोशिश कर रही है। काम  
 इतना अधिक है और कर्मचारियों की संख्या  
 इतनी कम है और वे इतने अनुभवहीन हैं कि  
 जितना भी बकाया है उसको वसूल करना तो  
 दूर रहा वह नया एसेसमेंट भी नहीं कर  
 सकते और पुराना बकाया भी वसूल नहीं कर  
 सकते। उसका परिणाम यह है कि प्रत्यक्ष कर  
 से होने वाली आमदनी सरकार को प्राप्त  
 नहीं होती है।

पिछले कई सालों से हमारे यहां एक्साइज  
 इ्यूटी बढ़ती जा रही है। १९४८-४९ में  
 ५० करोड़ ६३ लाख ६० एक्साइज इ्यूटी से  
 होने वाली आमदनी थी जो केन्द्रीय सरकार  
 को मिलती थी। मगर इस साल में ३८० करोड़  
 रुपये का अनुमान लगाया गया है। जीवन  
 की सभी आवश्यक वस्तुएं, मिट्टी का तेल,  
 चीनी, माचिस, वेजीटेबिल, काफ़ी, चाय और  
 सूती कपड़ा एक्साइज इ्यूटी के अन्तर्गत ले  
 आये गये हैं और इन वस्तुओं पर सेल्स टैक्स  
 अलग लगता है और जब एक्साइज इ्यूटी बढ़  
 जाती है तो सेल्स टैक्स की दर भी बढ़ जाती है  
 और जिसका कि दुष्परिणाम सर्वसाधारण  
 को भोगना पड़ता है। एक और हमारे वित्त  
 मंत्री जी कहते हैं कि डाइरेक्ट टैक्सेशन अब  
 ज्यादा नहीं लगाया जा सकता क्योंकि उसकी  
 लिमिट आ गई है। मैं जानना चाहता हूँ कि  
 आखिर वह लिमिट क्या है? क्या यह साइं-  
 कोलौजिकल लिमिट नहीं है और यदि ऐसा  
 है तब मैं समझता हूँ अभी भी इस बात की  
 गुंजाइश है कि डाइरेक्ट टैक्सेज से होने वाली  
 आमदनी को बढ़ाया जा सके। उसके लिये  
 टैक्सेशन एडमिनिस्ट्रेशन को मजबूत करने की  
 जरूरत है। हमारे त्यागी साहब की अध्यक्षता

एक बात मैं और कहना चाहूंगा कि  
 पिछली पंचवर्षीय योजना के चार सालों में  
 आर्थिक समीक्षा जो सरकार ने रखी है  
 उसके अनुसार चीजों के दाम २० फीसदी  
 बढ़ गये हैं। चार सालों में दाम बढ़े हैं और यह  
 दाम केवल खाद्यान्न के क्षेत्र में ही नहीं बढ़े हैं  
 बल्कि इंडस्ट्रीज में और सर्विसेज  
 में सब जगह मूल्यों की वृद्धि के  
 की एक टेंडेंसी दिखाई देती है। अब अगर सर-  
 कार मूल्यों का बढ़ना नहीं रोक सकती तो मैं  
 नहीं समझता कि पंचवर्षीय योजना के अन्तर्गत  
 जो लक्ष्य निर्धारित किये गये हैं वे कैसे पूरे  
 किये जा सकते हैं। मूल्य इसलिये बढ़ रहे हैं  
 कि सरकार आवश्यकता से अधिक खर्चा कर  
 रही है और एक मुद्रास्फीति की और एन-  
 फ्लेशन की हमें स्थिति दिखाई देती है। पब्लिक  
 एक्सपेंडीचर जब तक कम नहीं किया जायेगा  
 यह एनफ्लेशन कम नहीं होगा लेकिन हम  
 देखते हैं कि सिविल एक्सपेंडीचर बढ़ता जा  
 रहा है। १९४८-४९ में सिविल एक्सपेंडी-  
 चर ३५ करोड़ और ५६ लाख था जो कि सन्  
 १९६०-६१ में बढ़ कर २६७ करोड़ और ७६  
 लाख हो गया है। यह वह खर्चा है जो कि

[श्री बाजपेयी]

योजना से सम्बन्धित कामों पर नहीं होता और अगर जनता पर टैक्स लगा कर हम नौन डेवलपमेंट प्लान पर रुपया खर्च करते हैं तो मैं नहीं समझता कि जनता पर टैक्स लगाने का कोई औचित्य है ?

उपाध्यक्ष महोदय, मेरा निवेदन है कि टोटल प्लानिंग और डेमोक्रेटिक इंडस्ट्रियल इस साथ साथ नहीं चल सकते। हमारी कठिनाई क्या है ? अब आर्थिक क्षेत्र में तो हम टोटल प्लानिंग करना चाहते हैं मगर राज-नैतिक क्षेत्र में हमने लोकतंत्रीय संस्थाओं को अपना रखा है और जिन्हें कि हम छोड़ नहीं सकते और सरकार के सामने अगर सबसे बड़ी कोई कठिनाई है तो इन दोनों में संगति बिठाने की है।

अब सरकार ने स्टेट ट्रेडिंग का फैसला किया है। मैं समझता हूँ कि इसमें कोई डोग-मैटिक एप्रोच को जरूरत नहीं है। सरकार ने यह फैसला किया कि वह अनाज के व्यापार का राज्यीकरण करेगा लेकिन वह नहीं कर सकी क्योंकि उसको राशनिंग तक जाना पड़ेगा और अगर वह राशनिंग करने के लिये तैयार नहीं है तो फिर यह अनाज के व्यापार का सरकार द्वारा राज्यीकरण कोई अर्थ नहीं रखता। आवश्यकता इस बात की है कि टोटल प्लानिंग और डेमोक्रेटिक इंडस्ट्रियल इन का मेल बैठाया जाये और अगर दोनों में किसी को छोड़ना पड़े, किसी को छोड़ा जाय जो जहाँ तक मेरा अपना सबाल है मैं तो कहूँगा कि सरकार को डेमोक्रेटिक इंडस्ट्रियल को कायम रखना चाहिये और अगर उनकी रक्षा के लिये हमें प्लानिंग के दृष्टिकोण में कोई अन्तर करना पड़े तो वह भी कर लेना चाहिये और उसके करने की पूजाइश है।

**Shri Naushir Bharucha:** I desire to invite the attention of the House to one phenomenon which has developed recently and to which no reference has been made so far in the entire debate. I refer to the recent credit squeeze applied by the Reserve Bank with the object of arresting price inflation, and with the object of arresting what the Reserve Bank considers speculative tendencies on the stock exchanges.

It appears to me that in applying this credit squeeze, the Reserve Bank has wrongly diagnosed the disease, and I do not know whether this wrong diagnosis is due to the fact that the Government does not desire to find out the correct causes.

It will be appreciated that the heavy expenditure of the Second Plan, deficit financing, expansion in the circulation of money which today stands round about Rs. 1,900 crores, the heavy taxation in the form of internal excises—all these have contributed to that inflationary spiral which is vainly sought to be arrested by make-shift remedies such as the credit squeeze. As a result of this, the value of the rupee has gone down, and today though the exchange rate in terms of the dollar is 4.75, nowhere do you get one dollar for Rs. 4.75. The market value actually is round about Rs. 6. If this is so, I should like to ask the Finance Minister whether he has got in his financial armoury any more effective remedy than this vain attempt of a credit squeeze.

What the Reserve Bank has done is, that it has issued a directive to the scheduled banks asking them to deposit with the Reserve Bank 25 per cent of time and demand liabilities accumulated with the scheduled banks after 11th March, 1960 and it has asked for maintenance of a minimum margin of 50 per cent. against advances on shares, and prohibited scheduled banks from engaging in *budla* transactions. I ask: what was the object of this credit squeeze?

It was stated that in recent time there had been speculative advance in shares, and as a result of that the Reserve Bank wanted to check the speculative activities. May I point out that if the Reserve Bank had only taken into consideration the price range of leading shares such as Tata steels, Indian iron and steel, Indian copper, tea shares, jute shares etc., it would be found that all these shares are totally undervalued, and if there has been some rise as a result of the Budget which the share market has interpreted as favourable, I do not think that the credit squeeze was called for.

What is happening actually is that as a result of the credit squeeze, genuine industrial investment is being inhibited. It is not a credit squeeze, it is a squeeze on investment in industries and new industries. Today, on the one hand we are striving hard to see that our industrialisation advances. What type of method is this that you apply a credit squeeze on the one hand, and then expect that your industries will find sufficient investments? If at all there is a rush for investing in industrial shares, it is due to the fact that the nation has become conscious of one thing, namely that the value of the rupee is depreciating rapidly, and as a hedge against inflation, there is a rush for investment in industrial securities. I therefore submit that this type of tampering and tinkering with the credit structure of the country should be given up by the Reserve Bank. If the Government has not got any remedy for arresting inflation which is due to causes totally different from those which the Reserve Bank has diagnosed, I am of the opinion that the Government had better revise its concepts of fundamentals of economics.

Coming to the taxation measures, it is a strange phenomenon that the more oil we discover, we find every time that the price of kerosene and motor spirit is rising. I am surprised also at the various arguments advanced by the hon. Finance Minister when he

increased the duty on motor spirit; and particularly trucks were hit hard. He naturally said that it worked out to one naya paisa per mile, but he forgot that a truck usually plied 150 miles a day and that duty worked out to nearly Rs. 500 per annum; and that was not a small tax.

Today, we find in the budget, notwithstanding the meagre concessions he has made, that everything imaginable has been taxed, such as cycles, footwear, electric fans, electric bulbs, diesel oil, industrial fuel oils, motor vehicles, internal combustion engines, electric motors, cinema films and what not. In 1957, when the duties were increased, as a matter of curiosity, I counted on how many items the duty had been increased, and I was surprised to find that there were no less than 403 items. In this manner, if taxation is increasing, and if that taxation goes, as has been ably pointed out by my hon. friend Shri A. P. Jain, not for the Plan expenditure but in the day-to-day revenue expenditure, then inflation is bound to come.

There are two more points on which I shall touch and I shall enlarge and then finish. Government do not seem to have any firm policy about anything. At one time, they swore that State trading in foodgrains was essential in the country's interests, and today the Food Minister of the Union Government point-blank says that this is impracticable. It is immaterial to me whether you are having State trading in foodgrains or any type of trading in foodgrains, but I do expect that the Union Government will have some firm policy and not keep on vacillating on a most important issue like this. The problem of food in India means feeding one-seventh of the world's population, and on a vital and important matter like this, I am surprised at the Union Government and the Prime Minister swearing by State trading in foodgrains, and the Food Minister declaring equally emphatically that this is all impracticable. I want to know what exactly is the policy of this Government in the

[Shri Naushir Bharucha]

matter of State trading in foodgrains, whether they believe in building up buffer stocks, whether they believe in eternal import of foodgrains, or what else it is. It is necessary that once and for all, we should decide this and finish with the controversy.

In conclusion, I shall say one word about defence, which consumes huge part of our revenues, nearly Rs. 273 crores. Today, what do we find? At a time when China is knocking at our doors, when, we shall have to fight, if at all we have to fight, in a terrain which is inhospitable and inaccessible, where the entire Army strategy would have to be changed, where there will have to be reorientation in the matter of equipment as well as recruitment, where our entire Army will have to be re-equipped in a different direction, what do we find? The ordnance factories are manufacturing not the type of arms that we require in that particular terrain, but pressure cookers and hair-clippers. Is this the time to manufacture hair-clippers; I ask. Have not our Defence Minister and our Defence Organisation understood that we have got to fight an Army which has got a population of 600 million souls to recruit from and which can fling into our terrain a million or two of its soldiers, who can carry on guerilla warfare, and we have to march our Army with that? That has to be understood. For that type of terrain, for that type of warfare, most of the modern equipment is completely useless.

**Mr. Deputy-Speaker:** Why should the hon. Member then say that China is knocking at our doors? He can say that it has entered without knocking.

**Shri Naushir Bharucha:** Yes, Sir I accept that amendment, without hesitation. The point I am making is that today we are spending crores of rupees on aircraft carrier which is utterly useless. Nobody has given me an explanation in this House as to why we require aircraft carrier for fighting with China.

**Shri Raghunath Singh:** Because the Navy will be useless without aircraft carrier.

**Shri Naushir Bharucha:** I refuse to yield, Sir.

The fact remains that all our modern equipment is totally useless, and our Army is helpless in that direction. That is a place where you cannot use bombers, you cannot use fighters, you cannot use tanks, and you cannot use anti-aircraft guns; you can only use there small ammunitions, small arms, portable machine-guns and stenguns. You can manufacture all these things; you can have enough land-mines there which can effectively prevent the Army from crossing into our frontier. We are capable of manufacturing all these things, but what are we manufacturing? Hair-clippers? I, therefore, Sir, protest against this.

**Mr. Deputy-Speaker:** Now, Shri S. C. Samanta.

**Shri Raghunath Singh:** America has 79 aircraft carriers.

**Mr. Deputy-Speaker:** Order, order. No speeches should be there in between speeches.

**Shri Naushir Bharucha:** We have not got far-flung possessions like America.

**Shri S. C. Samanta (Tamluk):** Yesterday, my hon. friend Shri A. P. Jain was telling the House and the hon. Finance Minister, that as regards education, health, community development and other things, we were not going to spend from our internal resources, but I do not know whether the accounts will say so. If we take the accounts into consideration, then it is our bounden duty to create internal resources, and that cannot be done without more production. We are trying for more production, more food production and other necessary things, and we are giving thought to many other things also.

I think, first of all, increased food production should be our target. In the First Five Year Plan and also in the Second Five Year Plan, we put stress on food production, and from the beginning, we find that food production is increasing, but not to the extent that we would require for our consumption. So, we have had to import food from outside. I would request the Finance Minister to give thought to this matter why we are not able to produce foodgrains to the extent that we want. There is some difficulty somewhere, and that has to be looked into.

Now, I would draw the attention of the Finance Minister to another thing from which we earn much. I am referring to the Calcutta port. This port has created an alarm in everybody's mind. The other day, the shippers met at Calcutta and they unanimously passed a resolution expressing their concern at the alarming way in which the Hooghly river on which the Calcutta port is situated is being silted. It is not being silted in a day. In our childhood, we read that little drops of water, little grains of sand, make the mighty ocean and the pleasant land. There are fourteen bars from Calcutta to the Bay of Bengal. These bars were not created in one day. There are experts in the Ministry. They might have conceived that when the flow of water from Ganges is not available in such a proportion as to help to clear the silt, something should have been done. But that was neglected.

I put it to the House that it was not in this century but from the last century experts were saying that there should be a barrage on the Ganga to save the port of Calcutta and the river Hooghly.

The port of Calcutta and the river Hooghly are important. If boats cannot run and the river is silted, I would submit that a big limb of India will be paralysed. I am glad that Government have thought over it; better late than never. They have taken it seriously.

I cannot but praise the work of our Minister of State who is in charge of ports and shipping. He is continuously trying to handle the matter ably and to get a solution. But the solution will not come in a day.

There are three solutions. Silting away the river; that is we have to train the river. Then, for the present, a subsidiary port is necessary. And, for a permanent cure, the Ganga barrage is necessary.

I would request the hon. Finance Minister through whom all the money goes to think over this matter. If for the Calcutta port a big sum is necessary, he will kindly look into it and see that it is given. It is not needed for the Calcutta port, nor for Bengal nor for Assam; but it is needed for the Indian Union, to save the economy of the country. This thing should be carefully handled and nurtured by Government.

Sir, you know the problem of Bengal. Luckily or unluckily, the rehabilitation problem at last has fallen on the shoulders of the Union Government and West Bengal. There are complications; and it is not an easy thing to solve. We are glad and thankful that the Central Government is not lagging behind to meet the expenses required for the rehabilitation of these displaced persons.

I would not go into controversies. There are difficulties here and there. I would request the hon. Minister to see that the Dandakaranya scheme which has been taken up by Government is vigorously carried on and the displaced persons are really rehabilitated.

Lastly, I would request the Indian Government through the Finance Minister to note that those people who are said to have been rehabilitated or partially rehabilitated are not really so. So, some sort of compensation should be given so that they are really rehabilitated once and for all and they become good citizens of the country.



Shri Dinesh Singh (Banda): Mr. Deputy-Speaker, discussion in this House and elsewhere on the Budget presented by the Finance Minister shows clearly that this very controversial matter in the past has become relatively less controversial now and the Defence Minister has performed a very delicate task.... (An Hon. Member: Finance Minister) . . . I mean the Finance Minister. He has performed a delicate task of presenting a balanced Budget—not in terms of money but balanced in the sense of stability. At this particular time when we need resources for the entire country's development that is ahead of us, we should have the support of all sections in the country. The Finance Minister has in this task done a very remarkable work and I think we need to congratulate him on this.

Having said so, I should like to point out to a few matters that we need to consider. First of all, there is this question of rising prices. This has been referred to by some hon. Members and the Finance Minister himself has mentioned that he is concerned about it. Now, what is to be done? Prices are rising. When prices rise, the cost of living goes up. As soon as the cost of living goes up, the wages go up. When wages go up, the price of goods again go up. This vicious circle continues. How are we to break this circle? Unless we do that all the planning that we have will be of very little use. If we look at the wholesale price index, in 1955-56 it was 92.5 and in 1958-59 it has risen to 112.9—a difference of 20.4 in these years. Now, they have risen further. That means that all the planning that was done in 1955-56 has already been reduced by 20 per cent in 1958-59 and further reduced today. This is a very important matter because unless the Planning Commission is able to take into consideration all these factors, just planning on a particular subject will be of little use. What is really happening today? The Planning Commission is making these plans and laying down certain programmes and also indicating how and

where we can raise these taxes from. But the taxes that we raise are not enough to finance the Plans because by the time they are raised, the cost has gone up.

Last year we took for study the question of the growth of civil expenditure. This matter is before the Estimates Committee. I need not go into the details. I would only like to draw the attention of the House to a booklet issued by the Planning Commission named the *Appraisal and Prospects of the Second Plan*. In pages 11-12 of this booklet, it says:

“The aggregate yield from the measures of additional taxation adopted so far by the Centre is estimated at Rs. 725 crores over the five-year period.”

“This is an improvement of Rs. 500 crores over the tax target suggested originally in the Plan (viz. Rs. 225 crores).”

What has happened to this additional Rs. 500 crores is well known. This has been already brought out. Then it continues:

“This means that despite the improvement in tax receipts by Rs. 500 crores over the original plan target, the revenue resources available for financing the Centre's plan outlays are expected to show an improvement of only Rs. 45 crores as compared to the plan estimate.”

Now, the Finance Ministry has very kindly brought out another booklet last year which explains the growth of civil expenditure. My point is this, that explanations are of little use. We have the Planning Commission and we have the Finance Ministry. They should have a co-ordinated plan where they should take account of all these factors and the plan should not be upset by the cost of living going up.

In this regard, Sir, I have two constructive suggestions to make. First

of all, efforts should be made to keep the price of essential commodities constant during a Plan period. That means that we must have the food prices and also the prices of other essential commodities constant during the Plan period. If we can manage that, then we would not have this upset. The other thing is, if we could ask the manufacturers to mark the prices on all manufactured goods it will not be possible for the retailers to have hoarding and blackmarketing. We can make over-charging a criminal offence and ask the manufacturers to stamp all manufactured goods with the prices so that the public will know who is over-charging.

Now, Sir, about the growth of expenditure that I was mentioning, if I may refer to the Explanatory Memorandum, we see on page 94 that the general administration costs is really going up. Whatever the explanations may be, from Rs. 12 crores it has gone up to Rs. 17 crores. There are certain factors in it which are interesting. We have here the administration of revenue. From customs it was estimated last year in the revised budget as Rs. 160 crores. This year also it remains at Rs. 160 crores. But the cost of collection has gone up from Rs. 9,72,00,000 to Rs. 10,91,00,000. In this way, the general administration costs is going up. I feel that some measure should be taken to go into this matter more deeply.

There have been some proposals made about reorganisation of governmental system. I hope the Ministry of Finance will consider them seriously.

Now, while on this question of economy, I would suggest that the Central Government should really take steps to reorganise the Ministries under it. There are many ministries which are dealing with purely State subjects, like the Ministry of Health, Ministry of Education and Ministry of Labour. They can easily be combined into a Ministry of Social Services. Then, there are the Ministries of Food and

Agriculture, Community Development, and Irrigation and Power. What is really happening today is that the Ministries of Community Development and Agriculture are doing practically the same thing. Why should we not have these integrated ministries whereby we can have much economy.

In conclusion, I should like to refer to the Audit Report. It was not my intention to refer to this matter that has come up here before this House and say anything about the report by the Auditor-General. But the turn that it has taken has been rather unfortunate. There has been a feeling that it is a conflict of personalities more than a conflict of principles. I am glad that this matter has been gone into in detail by various Members of this House, and I have no doubt the hon. Finance Minister will explain the position in greater detail. But I would like this House to bear in mind that people come and go. It is the office that stays and whatever we might do today will have its repercussions for a long time to come. Therefore, when we consider this matter, we should not go on the basis of people but on the basis of principles and the principles of democracy which are very dear to us rather than anything else.

श्री ह० ना० सोनुले (नांदेड) : उपाध्यक्ष महोदय, मैं आपका निहायत मशकूर हूँ कि आपने फाइनेंस बिल पर बोलने का मुझे मौका दिया। मैं आपके जरिये फाइनेंस मिनिस्टर साहब को यह वाजे कर देना चाहता हूँ कि जैसा उनका फाइनेंस बिल है वह खास करके कोई कौम की हिम्मत अफजाई नहीं करता है। इनडाइरेक्ट टैक्सेशन में ~~कमी~~ महोदय ने बड़होत्री की है और जिसके कि कारण जनता पर करों का बोझ जो कि पहले ही काफी था और बढ़ गया है क्योंकि इनडाइरेक्ट टैक्सेशन का असर आम लोगों पर पड़ता है और उसकी वजह से आम जनता की परेशानियों और दिक्कतों में इजाफा ही हुआ है इसके अलावा इस इनडाइरेक्ट टैक्सेशन से कोई खास नतीजा भी निकलने वाला नहीं है और

सरकार इनके जरिये जो मसले बेकारी और बेरोजगारी के हल करना चाहती है वे भी हल नहीं हो सकेंगे। सरकार को तो इसके वास्ते डाइरेक्ट टैक्सेशन की ओर ही देखना चाहिये या क्योंकि अगर डाइरेक्ट टैक्सेशन ठीक तरह से वसूल हो तो सरकार को उससे बहुत काफी रकम प्राप्त हो सकती है और जो कि वह मुल्क की तरक्की करने में लगा सकती है। डाइरेक्ट टैक्सेशन की फील्ड में सरकार को अभी भी बहुत अधिक आमदनी होने का स्कोप है और अगर हमारा एडमिनिस्ट्रेशन मजबूती के साथ डाइरेक्ट टैक्सेशन के काम को हाथ में लेकर चले तो सरकार को बहुत बड़ी रकम हासिल हो सकती है और इस तरह से सरकार लोगों की जरूरियात जिन्दगी पूरी कर सकेगी।

आज सरकार के सामने देश की खेती की पैदावार बढ़ाने का सबसे बड़ा सवाल है और इसके लिये सरकार को ऐसे जरिये ढूँढने चाहिये जिनके कि जरिये मुल्क में गल्ले की पैदावार बढ़ सके और हमारे देश में से नरीबी और बेकारी दूर हो सके। अब यह मसले कोई इनडाइरेक्ट टैक्सेज से ही हल हो सकते हैं, सो ऐसी बात नहीं है हालांकि मैं इससे इंकार नहीं करता कि इस तरीके से देश की अनाज की पैदावार बढ़ाई नहीं जा सकती है। अब हमारे देश में काफी तादाद में बंजर और उफतावन जमीन पड़ी हुई है और हुकूमत का ध्यान इस बंजर जमीन को तोड़ कर खेती लायक बनाने की ओर जाना चाहिये और ऐसा अगर किया जाता है तो एक तो देश में अनाज की पैदावार बढ़ेगी और दूसरे आज देश में जो लोगों में बेरोजगारी फैली हुई है वह भी बहुत हद तक हम दूर कर सकेंगे। सरकार को एक स्कीम बना कर इस तरह की बेकार जमीनों को लैंडलेस और जो बेकार और गरीब तबके के लोग हैं उनमें बांट देना चाहिये और वे गरीब और बेकार लोग एक तो काम पर लग जायेंगे उनकी बेकारी दूर होगी और दूसरे वे उन जमीनों पर मेहनत

करके उनको खेती लायक बना देंगे और इस तरह खुराक की आज जो हमारे देश में कमी है उसको भी बहुत हद तक दूर करने में कामयाब होंगे। ऐसा इन्तजाम करने से हमारे मुल्क पर जो एक बड़ा संकट आया हुआ है वह दूर हो सकता है। श्री खाडिलकर ने ठीक ही कहा कि हम यह जो बाहर अमरीका और अन्य देशों से आज अनाज मंगवा रहे हैं तो यह ठीक चीज नहीं है और हमें खुराक के वास्ते दूसरों पर डिपेंड नहीं करना चाहिये और हमें इस खुराक के मसले को प्रीपर फुटिंग पर टैकिल करना चाहिये और अनाज की पैदावार बढ़ाने के लिये जैसे मैंने कहा उफतावन और बंजर जमीनों गरीब लोगों को तकसीम कर दी जावें जिन पर कि वे लोब मेहनत करके देश के वास्ते अनाज पैदा करें और मुझे यकीन है कि अगर ऐसा किया गया तो हम इस मसले को हल करने में कामयाब हो सकेंगे।

कल पंडित ठाकुर दास भागंव ने हाउस का ध्यान इस तरफ दिलाया कि सरकार का ध्यान शहरों की ओर अधिक जाता है और देहातों को नेग्लेक्ट किया जा रहा है और आज हालत यह है कि देहातों में ग्राम तौर पर अच्छा पानी तक पीने को भी नहीं मिलता है। हुकूमत तो अपने तई यह समझती है कि वह मुल्क के अग्रिम की बेहतरी के वास्ते काफी कुछ कर रही है लेकिन दरअस्त होता यह है कि गरीब और पिछड़े हुए लोग और बैकवर्ड एरियाज जिनको कि सरकारी इमदाद की अजहद जरूरत है उनको वह इमदाद जितनी मिलनी चाहिये वह नहीं मिल पाती है। अब सास तौर पर मैं शेड्यूल्ड कास्ट्स की बाबत अर्ज करना चाहता हूँ कि हालांकि शेड्यूल्ड कास्ट्स की अभाई के निचे ६० करोड़ रुपया खर्च हो रहा है लेकिन साज हम देखते हैं कि कमोबेश उसमें से ४५ करोड़ रुपया भी खर्च नहीं हो पाता है और काफी पैसा वापिस हो जाया करता है। हुकूमत का यह फर्ज है कि वह देखे कि उन पर तमान

बपया सही तौर पर खर्च हो, इस देश में से बेकारी और गरीबी मिटे और लोगों की सेहत बेहतर बनाने के वास्ते माकूल इन्तजाम किया जाये। मैं मन्त्री महोदय का ध्यान इस और खास तौर पर दिलाना चाहता हूँ क्योंकि ऐसा करके ही हम देश की तरक्की कर सकते हैं और हमारा मुल्क एक तरक्कीयापता मुल्क बन सकता है।

सरकार यह जो इनडाइरेक्ट टैक्सेज लगाती चली जा रही है तो उससे गरीबों पर बहुत अधिक बोझ बढ़ गया है और उनकी हालत बंद से बदतर हो गई है। डाइरेक्ट टैक्सेज अगर ठीक तरह से और मजबूती से सरकार बसूल करने का इन्तजाम करे तो यह तमाम मसले आसानी से हल हो सकते हैं और उस हालत में यह इनडाइरेक्ट टैक्सेज की कोई खास जरूरत नहीं है। कल मंत्री महोदय ने बतलाया था कि उन्होंने कुछ टैक्सेज में कमी कर दी है लेकिन वह कमी बहुत नाकाफी है और गरीबों को कोई खास राहत उससे पहुंचने वाली नहीं है।

मैं आपके जरिये यह बात भी कह देना चाहता हूँ और जैसे कि कल मेरे एक दोस्त ने कहा भी था कि प्रिवी पर्सज की आज के माहौल में कोई खास जरूरत नहीं है मालूम होती है और उनमें कमी करने को कहा गया हो मैं तो कहूँगा कि यह प्रिवी पर्सज बिल्कुल ही बन्द कर दी जाये और उनसे कोई हमारे मुल्क को फायदा हो रहा है ऐसी बात बिल्कुल नहीं है। जिन लोगों को यह प्रिवी पर्सज दी जाती है और देश के पब्लिक एक्सचेजर से काफी मोटी रकमें उनको मिलती हैं तो एक जो काफी पसा हमारा इस तरह निकल जाता है और फिर जिनको कि यह मोटी मोटी रकमें प्रिवी पर्सों की सूरत में मिलती हैं उनकी वाली हालत काफी अच्छी है और दूसरी तरफ हम देखते हैं कि मुल्क के गरीब भवाम जैसे जैसे के लिये तरस रहे हैं। उनके खाने, कपड़े और रहने का कोई माकूल बन्दोबस्त नहीं है। वेल्थ की काफी बड़ी आबादी स्लम्स में रह रही

है और उनकी रिहाइश का बहुत ही अनसैटिस्फैक्टरी अबतर इन्तजाम है और वह पैसा बजाय उधर जाने के अगर इन गरीबों की हालत बेहतर बनाने पर लगाया जाये तो बहुत कुछ हम अपने देश की प्राबलम्स को हल कर सकते हैं। सरकार का एक वेल्फेयर स्टेट होने के नाते हर एक को रोजी मुहैया करना अव्वलीन फर्ज है। सरकार को इस देश में खुशहाली लानी है और इस सिलसिले में मैं अभी चीनी वजीर आजम की इस्तकबाल के मौके पर हमारे प्राइम मिनिस्टर साहब ने जो अल्फाज कहे थे वह बहुत माकूल अल्फाज कहे थे कि हमें महात्मा बुद्ध के उस उपदेश को अपनाना चाहिये और दूसरों की जीत में अपनी जीत देखनी चाहिये। दूसरे की जीत में ही हमारी जीत है और यही सच्ची चीज है। तो मैं भी यही कहने का साहस करूँगा कि दूसरों के सुख में ही हमको अपना सुख देखना चाहिए। मेरा मतलब उन लोगों के सुख से है जो इस देश में करोड़ों की तादाद में बसे हुए हैं और जो हकीकी मानी में गरीब हैं और जो अपनी मेहनत से मुल्क को लबाहाल कर सकते हैं। अगर उनके मसले को सुलझाया जाए और उनके लिए आप कोशिश करें तो मुल्क का मसला हल हो सकता है। इसलिए इस तरफ आपकी तवज्जह जानी चाहिए। आज इन लोगों के पास जमीन नहीं है, आप इनको जमीन दें, उनकी छोटी छोटी इंडस्ट्रीज को बढ़ाएं तो उनकी हागत सुधर सकती है। उनको इंडस्ट्री के लिए आपको सबसिद्दी देनी चाहिए और जहां तक हो सके उनको ऊंचा उठाने के लिए कोशिश करनी चाहिए। आज देश में जो बेकारी बढ़ती जा रही है उसको दूर करने की कोशिश की जानी चाहिए।

अब मैं गरीब लोगों के आरोग्य के बारे में कुछ कहना चाहूँगा। कुछ दिन की बात है कि मैंने करमरकर साहब से एक गरीब सिड्यूल्ड कास्ट वाले की सिफारिश की थी उसको टी०बी० थी। मैंने मिनिस्टर साहब

से कहा था कि अगर इसकी कुछ इमदाद की जाए तो हो सकता है कि वह बच जाए और जिन्दगी पा जाए, लेकिन वह मिनिस्टर होते हुए भी उसके लिए कुछ न कर सके। उन्होंने जवाब दिया कि अभी तो कोई खास बैड्स की गुंजाइश नहीं है, हम इसको वेंटिंग लिस्ट में रखे लेते हैं, लेकिन वह बेचारा वेंटिंग लिस्ट में रहते रहते अपनी जान दे बैठा। तो इस मिसाल के जरिए मैं आपके सामने यह वाजेह कर देना चाहता हूँ कि गरीबों के आरोग्य का आपको खास ख्याल रखना चाहिए और उनको आरोग्य होने के लिए जहां तक हो सके आपको फैंसिलिटी देनी चाहिए। सिर्फ टैक्स लगाने से उनको कोई फायदा नहीं होगा। ये कुछ मुल्क के फायदे की बातें थीं जिनकी तरफ मैंने मिनिस्टर साहब का ध्यान दिलाया है। और बहुत सी बातें तो मेरे दूसरे दोस्तों ने कह दी हैं। मैं खास तौर से वाजपेयी साहब की तकरीर की तारीफ करता हुआ आपको धन्यवाद देता हूँ।

**Shri Morarji Desai:** Mr. Deputy-Speaker, Sir, I have been carefully listening for more than 8 or 9 hours to the debate on this Finance Bill. The scope of debate is sky-wide. Therefore, it will not be possible for me to cover all the points raised by many hon. Members who spoke on this subject. If I am not able to cover all the points raised, I would request hon. Members not to think that I am not attaching importance to any of them. I attach importance to all the points raised and I shall try to look into those matters which they have raised even if I have not referred to them.

Before I go to the points relating to the Finance Bill, I must refer to the point raised by my hon. friend, Shri Feroze Gandhi.

I had hoped that it would not be necessary for me to go into this again

but the point that he has raised is important because he has raised a point of procedure. But I did not understand what he meant by saying that he did not want to retaliate. I do not know what he wanted to retaliate against and against whom. I do not want to do anything to deserve any retaliation. If I said anything on that day with which he had any quarrel, I said that only with a view to explain what he was saying as an interjection. It was not an attack on him in any way. I leave that attack to him alone. I do not want to attack anybody in this House. It is not my function to do so. I would be wrong if I did so. It is, therefore, that I hope he will not think of any retaliation in this matter.

The point he has raised about the ruling which he referred to as having been given in 1957 and which he thinks vitiates everything that I had said or which he thinks makes whatever has been done in the matter of the Audit Report on Defence out of order, really speaking, does not apply. That is what I would like to explain.

I am glad that now it is accepted by him too that it was as a result of the decision of the Public Accounts Committee that the Auditor-General was asked to give separate reports. He said first that it was preliminary and that this was not marked 'preliminary'. He now sees that what has been said there is that it should be Audit Report No. 1 and the second one, that is, afterwards when the Appropriation Accounts are submitted, should be called Audit Report No. 2. That is the implication. His objection is why this Defence Report is then not called Audit Report No. 1. The explanation is very simple. The reports as regards Defence have always been given separately, though they may have been presented all the while together. The Appropriation Accounts are not prepared by the Auditor-General. They are prepared by the Finance (Defence), that is, by the D.F.A. who is in charge of this. They are, of course, certified by the Auditor-General and he prepares his

**Audit Report.** I have here more than 20 Audit Reports beginning from 1940. They have all been termed the same way as the 1960 Report has been termed. They have all been called Audit Report (Defence Services) 1940 including the report on the Appropriation Accounts of the Defence Services beginning from 1938-39. It has gone on like that till today. It is, therefore, that it is not called Audit Report, Part I. It has been the same system in the matter of Defence reports. If my hon. friend, Shri Feroze Gandhi, did not know it, I do not blame him because he could not have known all this. This is what I said on that day too, namely, that the facts are more with me than with him. That is why I have said it. It was not to attribute anything to him that I have said that. I have more access to these things than he can ever have with all his capacity. That is quite certain. Therefore, I had said it.

**Shri Feroze Gandhi:** How did the question arise with the hon. Speaker? How did the question with regard to the particular report arise with the hon. Speaker? I was not able to follow that.

**Shri Morarji Desai:** About 1957?

**Shri Feroze Gandhi:** Yes. Why did the question arise that they should be submitted together and why did the hon. Speaker have to give that direction?

**Shri Morarji Desai:** I am coming to that. I am going to explain the whole thing. I only hope that he will bear with me in this matter.

**Shri Feroze Gandhi:** Oh! yes. I thought he had finished.

**Shri Morarji Desai:** I am not trying to sidetrack anything because that is not my method. I need not, therefore, now refer to what the P.A.C. decided in 1952, and why it was done; because that is all now accepted ground.

16 hrs.

The question now, therefore, relates to what was done in 1957. But it is accepted by everybody that it was as a result of the direction of the P.A.C. or of the agreement between the P.A.C. and the Auditor-General, which was also acquiesced in by the Speaker that wherever it was found that the Appropriation Accounts could not be submitted quickly or there would be delay—and there must be reasons, legitimate reasons, for the delay in the submission of the Appropriation Accounts—then the Audit Reports should be given separately. That is an accepted ground.

Now, whether that has been vitiated by the decision given by the Speaker in 1957 is a matter which requires consideration. But in this matter also, I should like to make one thing very clear, that the Audit Report which the Auditor-General gives concerns itself not merely with matters arising out of the Appropriation Accounts; it also deals with financial irregularities, losses of public money, etc., and he is free to do what he likes in that matter, and I do not want to fetter his discretion in any way. The discretion will be with him. If he does anything wrong at any time, certainly I would be the last person to say that he should take shelter under his preserved position. I am not saying that. But what I say is this, that when he has been given this extraordinary position by the Constitution—and it has been deliberately done, it is done with a purpose which is beneficial to the Constitution and which is necessary in the interests of the proper functioning of the Government—then we should see that his authority should not be questioned without very grave and serious reasons which call for an examination of his conduct. Otherwise, Sir, it will be difficult for any independent authority to function, especially when the powers of the Parliament are wide, and it is the highest authority. Other people would feel, what will happen to us if we are treated like this? That feeling should not be created. I do not say for a moment that that was the attempt in this matter. I do not say that; I do

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not believe it. But we should also guard against such feelings being created anywhere. That is all my purpose in saying this.

Again, it is not the fault or the merit of the Auditor-General if the reports are presented to Parliament early or late, after they are sent by him. His function ends when he sends the report to the President through the Finance Ministry. Then the Finance Ministry comes in. If this report has been put in early, and with indecent haste, as seems to be hinted at, then it would be the fault of the Finance Ministry, no doubt; and I should be taken to task for it. I have no grievance about it. But has that happened?

The Finance Ministry gave an undertaking as early as 1951 to the P.A.C. This is the Report of the P.A.C. given in 1951-52. There the Finance Ministry said like this:

"In future, the Finance Ministry will arrange to present to Parliament such of the Appropriation Accounts and Audit Reports as are received from the Comptroller and Auditor-General immediately after they are received by them, if the Parliament is in session then. Otherwise, arrangements will be made to have these documents presented to Parliament early in the following session."

And that is what is being done by the Finance Ministry.

In this particular case, we received the report on the 30th March, and sent it to the Lok Sabha Secretariat on the 4th April. It was presented here on the 8th April as arranged by the Lok Sabha Secretariat. That was not the function of the Finance Ministry afterwards, but we had to present it. I am sorry in some cases it took about ten or twelve days before it was sent by the Finance Ministry. I shall try to see that it is done within three or four days. The time taken should be only for presentation to the President and return to the Finance Ministry.

**Mr. Deputy-Speaker:** There is one thing I should make clear. I have been advised that when the Report is sent to the Lok Sabha Secretariat, it is not the business of the Lok Sabha Secretariat to choose the date when it is to be presented. The date is chosen by the Department of Parliamentary Affairs. It is put down on the agenda on their own initiative, and that is done by them.

**Shri Morarji Desai:** I did not want to enter into the relations between the Lok Sabha Secretariat and the Minister of Parliamentary Affairs.

**Mr. Deputy-Speaker:** I only wanted to make the position clear.

**Shri Morarji Desai:** I knew the position very well, and I did not want to enter into further details and create a further controversy. It was, therefore, I said what I said. What I meant to say was that once the Finance Ministry sends it, its duty also ends, and it cannot be said it has done this or that. When it is presented here, it cannot be blamed on the Finance Ministry afterwards.

Now, let us take the decision in 1957. That was read out by my hon. friend here, therefore I do not now read it out. I got hold of it only last evening. Till then I was searching for it, because he had informed me.

**Shri Feroze Gandhi:** I had given him.

**Shri Morarji Desai:** I know that, but before he had given, I had found it. He had also found it. We found it at the same time.

**Shri Feroze Gandhi:** I asked him to look for it, and said that there was some such thing.

**Shri Morarji Desai:** Therefore, I said I tried to find it because he asked me to find out. I could not find it till last evening, and it happened by coincidence that we found it practically at the same time. That shows that until

then, he was not sure of what he had said. This is an additional argument that he has brought forward now. That is what I have got to say. After all, he had raised it before that. In the absence of this thing, he had raised the controversy. Therefore, this is an additional argument. So, that argument does not apply to his previous stand. That is all that I would like to say. But I do not want to take shelter even under that.

We must see how this decision was arrived at. I must say first of all that this decision was not given in the House. This decision was given by the hon. Speaker on a file. It was a decision, and not a ruling. That is the difference I make between the two. I respect both of them. I do not say that I have anything but respect for both of them, but one is not as binding as the other: that I must say. That is what I want to point out. Otherwise, it will create a very difficult situation. That is what I would also like to point out.

The whole procedure went on from 1952 onwards as described before with the Speaker's own orders. The Auditor-General's Reports have been submitted to the House. Several reports have been there. Posts and Telegraphs Reports have been there, some of the Railway Reports have been there. There have been about ten Reports like that presented to the House separately. I am on surer ground.

16.09 hrs.

[MR. SPEAKER *in the Chair* ]

**Shri Feroze Gandhi:** Now we know who did it!

**Shri Morarji Desai:** It is a good thing. I do not think that you, Sir, should be involved in this. I do not think anything wrong has been done in that sense.

What happened in 1957 was that Finance (Defence) did not consider it proper that the Appropriation Accounts

should be laid on the Table of the House. They thought there was something harmful in that; for what reasons I do not know. That had not been submitted to the Finance Minister. I do not know whether it was submitted to the Defence Minister. But it was sent here by the Financial Adviser; and he said that this should not be put before the House but that the copies can be circulated to Members separately, so that they are not published. That was referred to the Speaker at that time, on that point whether this should be put on the Table of the House or whether copies should be circulated to the Members separately. That was the decision that the Speaker had to give. The legal authority said that it may be done and it need not be put on the Table of the House. You, Sir, differed and said that it should be put on the Table of the House. But, somehow, along with it, this appeared in such a way that these should be put together. That is the meaning that can be put on that ruling, and if my hon. friend, Shri Feroze Gandhi puts that meaning on it, I have no quarrel with him. But I would say that that would not be consistent with what has happened before and after. If the Speaker had meant that this was to apply, and both the reports were always to be put on the Table of the House....

**An Hon. Member:** Together.

**Shri Morarji Desai:** ...he would not have allowed in 1958....

**Shri A. P. Jain:** You have thrown the ball now in the other court.

**Shri Morarji Desai:** ...the putting of the report on the Table of the House separately for Defence Accounts. The Audit Report on Defence was put in 1958, soon after 1957, on the Table of the House separately, and nobody raised any objection; and even the eagle eyes of the hon. Member Shri Feroze Gandhi did not detect this at that time.

**Shri Feroze Gandhi:** I did not notice it.

**Shri Morarji Desai:** That is what I say. The eagle eyes also sometimes get closed. That is what happens.



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In 1959, the report was sent separately to me, but the House was not sitting then; by the time the sessions of the House came up, the other report also was received, and both the reports were put together, but both of them were separate. That is what I am pointing out. Therefore, this ruling would not have that effect. And that was how it was understood also by the Finance Ministry before and afterwards. Therefore, nothing wrong has been done by the Finance Ministry, much less by the Comptroller and Auditor-General. I would go further than that.

**Shri Feroze Gandhi:** May I just seek a clarification from you, Mr. Speaker? I just want to know the difference between a ruling and a directive. If the Speaker is asked by Government to give his judgment in a decision on a particular matter, and that decision is given, is that decision binding on Government or not? That is what I want to know from you as the Speaker. I do not know. It is not a ruling in the House, but it is a directive to Government.

**Shri Morarji Desai:** That can come later on. Let us not get involved into this just now. But I am referring to that....

**Mr. Speaker:** That is not necessary to enable him to proceed with his speech.

**Shri Morarji Desai:** Then....

**Mr. Speaker:** The hon. Minister may resume his seat for a minute. He has drawn my pointed attention to this. Let it should be understood in future that I agree with what the Finance Minister has said, I may say that so far as the procedure is concerned, as to what ought to be done here, whether inside the Chamber or outside the Chamber, on any matter that arises, if I give my decision, it is as good as a ruling in the House. Even though I give my ruling here, if, subsequently, some other facts are brought to my

notice, I do not mean to say that I would not change. Notwithstanding the fact that that ruling has been given, I have always got the right to change; for the time being, each ruling covers the facts of that particular case. So long as those facts continue, that ruling will apply.

So far as this matter is concerned, I did say, and I said and repeat that we need not wait indefinitely, in the normal course for the accounts to be put and the reports to be put. There are occasions when the Public Accounts Committee will have to be requested to look into accounts immediately and report on particular matters of great consequence. Therefore, it is, that that distinction was made. Hence, the application of that ruling depends upon the circumstances of each case.

**Shri Morarji Desai:** May I say that the decision given by you in 1957 was a decision called for only about the putting of the report on the Table of the House?

**Mr. Speaker:** Yes.

**Shri Morarji Desai:** It was not whether these two should be put simultaneously.

**Mr. Speaker:** That was not the particular point at all.

**Shri Morarji Desai:** That was not the point at all. Therefore, it had a very limited jurisdiction.

**Mr. Speaker:** That was not the issue. That was incidental.

**Shri Morarji Desai:** That was an *obiter dictum*. That is all I would say (*Interruption*.) It has absolutely no application to this.

**Shri Tyagi:** This question is quite clear.

**Shri Morarji Desai:** After I finish this thing, I want to ask for your decision. I want to say that after hearing all this, if you think that in future we

should change the practice we shall change it. That is quite clear. But, in this particular matter, this decision was only for a particular purpose and this purpose was served and the Appropriation Accounts were placed here.

But, otherwise, last year also, while talking to the Chairmen of the Public Accounts Committees, you asked them to see that the reports are given earlier though the Appropriation Accounts are not given. That was only last year. Even recently you asked the Auditor-General to give an advance report on one particular item if the general report was not ready. It was as late as February. If that had not been so, then, I would have said that the 1957 ruling would have a different meaning; but this makes it quite different. Therefore, your intention was very clear. I have no doubt about it.

**Shri Tyagi:** It is quite clear now.

**Shri Morarji Desai:** Therefore, I would only say that in this matter the Auditor-General will also be told if there is a separate ruling that this is the position. But so far we take it that the ruling is that it might be given separately and it should be given separately. We will try to see that they are given as early as possible.

As I explained before, the difference between this report and the other reports is very obvious—why they were called Part I and this is not called Part I. Because Defence traditions have been different (*Interruptions*). Not only in this but in many other things, because Defence requires to be treated in a very special manner.

**Shri C. D. Pande:** In a refined manner.

**Shri Morarji Desai:** I hope my hon. friends will also bear that in mind.

My friend, Shri Bharucha, in this connection, asked why does the Defence prepare hair clippers and why does it prepare pressure cookers instead of attending to Defence. Sir, if there is any extra capacity to produce

something and if it could be utilised, why should it not be utilised? I do not understand that. Yet I did not know that he was a military expert that he would prescribe to Defence that they should do this and should do that. But, I do not want to go into that. What I want to say is this. Defence does require a special treatment.

It was sought to be made out here by some people that there is some difference between Defence and Finance. There is no difference between Finance and Defence. As a matter of fact, whatever may be the grievances of other Ministries against Finance, (sometimes, as there is a grievance against the Ministry expressed here by hon. Members), the Finance Ministry cannot have any grievance against anybody. We should not have.

I believe the function of the Finance Ministry is two-fold. One to get as much money as it can for public finances, in a proper way and see that more and more money is available and the source is not dried up at any time. It must be done in such a way that more and more revenues accrue. That is the function of the Finance Ministry on the one side. On the other side, its function is also to see that all the finances available are utilised in such a manner that production increases and the wealth of the country increases and the prosperity of the people also increases.

That will involve two things. One is to see that proper priorities are observed; and the second is to see that waste is avoided. There should be no waste. Now, when one tries to avoid waste or when one tries to give priorities, it is a very difficult matter for the resources are small. Then, there are certain displeasures incurred and one has to put up with it with a smiling face and that is what I try to do. Therefore, I hope this controversy will not be carried on any further. May I request you, if you think it necessary, to let me know after giving consideration to all these aspects, whether the audit reports henceforward should be

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presented to the House earlier than the appropriation accounts if they are given to us earlier or whether they should be given earlier by the Auditor-General also? Because if you decide that we should not do so, I would not want to do so at all. It is for the proper examination by the P.A.C. and also by the House. As a matter of fact, you have said that we should try to put all these before the Budget Demands are discussed here so that the hon. Members are able to consider them. (An Hon. Members All departments.) . . . Yes, . . . all departments. I am not saying this for one department. This time three reports were put here and we will try to do better next time provided you confirm the procedure that has gone on so far. If that does not happen, then perhaps I may say that the reports will never come up in time to the notice of the House and that is all that would happen. Then, there will be not that sort of urgency about it; nobody will feel it and delay will take place.

**Mr. Speaker:** What is the difficulty? In the case of Defence accounts, the Auditor-General does not seem to have any exclusive jurisdiction; it is in the hands of the others and he has to depend upon them. With respect to the civil accounts, he looks into them. Before the audit report is framed and presented to the House, he must have looked into all the accounts.

**Shri Morarji Desai:** Not necessarily, Sir. Audit report does not mean merely accounts. It also means other irregularities; they are also included in the audit report. But the appropriation accounts sometimes get bogged up because of some difficulties in the accounts which have to be cleared up and that takes a little time, in civil side and other places.

**Dr. Ram Subhag Singh:** Regarding the Defence appropriation accounts, the Auditor-General is not having any control over the preparation of appropriation accounts. I think the hon. Speaker means that. Why not

that right be given to the Auditor-General in that case also?

**Mr. Speaker:** I will put in one or two sentences what all happened. The object was this. I myself suggested that the audit report need not wait with respect to certain matters which do not depend upon the appropriation accounts. Let us divide one from the other. There are a number of matters to be gone through by this House or by the P.A.C., for which the accounts may not be necessary and they could be separated. Call it part I or preliminary. Even without calling it part I, those are reports which could be appreciated and understood by the Parliament and the Public Accounts Committee. They could be detached and immediately placed here. No appropriation accounts need accompany them. With respect to others, with regard to which the perusal of the report necessitates the perusal of the accounts for better understanding and the House cannot go into them without the aid of these accounts, I would like in all those cases that normally the appropriation accounts should accompany the reports. Let there be a distinction made between the one and the other.

**Shri Morarji Desai:** May I say that these are technical matters about accounts and other things? I would say that you can discuss these matters with the Auditor-General and see what is possible and what is not possible. Then you may issue directions and they will be carried out very rigorously.

**Mr. Speaker:** In the first instance I will ask the P.A.C. to look into the proceedings.

**Shri Morarji Desai:** I would like to say that article 151 does not prevent reports being presented separately to the hon. House but there again if you give your ruling it is binding on me and I will not say anything in the matter.

**Mr. Speaker:** I am not going to give a ruling contrary to it.

**Shri Morarji Desai:** Whatever reports are sent by the Auditor-General, they will have to be sent by the Finance Ministry to the President and then put before the House. Otherwise, they could not be given to anybody. That will be the position.

**Shri Jaipal Singh** (Ranchi West-Reserved-Sch. Tribes): Sir, I regret I must intervene at this stage, if you will permit me. It is no question of whatever ruling you give, whatever the Constitution provides, according to that you have to give the ruling (*Interruption*).

**Mr. Speaker:** Who disputes it?

**Shri Jaipal Singh:** Someone has disputed it.

**Mr. Speaker:** No, no, that is not so. I have no right to differ from the Constitution or go contrary to it. I have no right independently of the Constitution, although the difference may arise in the interpretation of the Constitution. Somebody has to interpret it, and possibly so far as procedure is concerned I will have to interpret it. I shall hear everything.

**Shri Morarji Desai:** Also, in the matter of interpreting the Constitution here, Sir your interpretation is final for me. I will not take the interpretation of anybody else in the House. Therefore, I cannot think that your ruling would be against the spirit of the Constitution. I cannot think, I cannot imagine, that your ruling would be against the spirit of the Constitution. It was therefore that I said that, and I have no doubt about that in my mind.

Now, Sir, I should like to come to the major debate on the Finance Bill. Unfortunately, half-an-hour has gone in this explanation only. But I think it is good that it has happened because that helps us in settling procedures also for future, and it will also be a warning to everybody not to raise wrong issues.

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**Shri Feroze Gandhi:** Sir, I object to that. He said that he will not say anything like that, but again he has said it.

**Shri Morarji Desai:** I have said that it is a warning to all of us, not only to one but to all of us, not to raise wrong issues. That is all what I said. I do not know why the cap is worn immediately—I cannot understand.

**Shri Kamalnayan Bajaj** (Wardha): Is it an arranged affair between Shri Gandhi and the Finance Minister?

**Shri Morarji Desai:** I always include myself in this. I have no special position here beyond that I represent the Finance Ministry; otherwise, I may be as good or as bad as any other hon. Member.

**Shri Tyagi:** We understood the meaning all right.

**Shri Morarji Desai:** Now, first I will come to the point of prices, which was first raised in this matter. My hon. friend, Shri Bimal Ghose, said that although there has been a rise of 20 per cent in prices no satisfactory explanation has been forthcoming. He said that different Ministers have given different reasons. What he meant was that every Minister said that it was not the fault of his Ministry. That is what he meant, and he asked: "Then, where does the fault lie?"

Well, Sir, there is no question of fault in one place or another place, because prices are not governed by only one factor anywhere. Anybody can see that there are a few factors, three or four, which govern prices, and all those have got to be tackled if price stabilisation is to be made. We do want to stabilise prices, and we are trying to do that. I think in India we have no reason to feel sorry about what we have been doing in this country. We have succeeded better than other countries in this matter. In spite of adverse circumstances our prices have not run away

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as rices have run away in several other countries under similar circumstances. But better can be done, I have no doubt about it. And today, at any rate, I have no doubt that if all of us do not combine together in holding the price line our development is going to be more and more difficult.

It is, therefore, that Government is very anxious on this point, and if any suggestions are forthcoming they will be very respectfully attended to and accepted with gratefulness if they are acceptable.

**Shri Bimal Ghose:** Sir, may I ask one question? Does he agree with the hon. Minister of Labour and Employment that he is not at all responsible, I do not say wholly, even partly responsible?

**Shri Morarji Desai:** I do not want to distribute blame. He is very kind to one Minister but he does not want to be kind to other Ministers; probably, he has some interest there, I do not know.

**Shri Bimal Ghose:** It is the interest of the labour.

**Shri Morarji Desai:** But, Sir, I would say that a rise in prices may occur because of an overall shortage of resources relatively to the demands. It can also occur because of an imbalance between demand and supplies in particular commodities, and it can also be traceable to large distribution of wages and profits, where the Labour Minister does come in. It is an attempt on the part of different sections of the community to pull out for themselves a large share of the given lot. That also is one of the reasons why it happens. But all these reasons go together and they have got to be tackled together. It is no use trying to put the fault at one place and not at another place. These have all got to be co-ordinated and a co-ordinated attempt should be made to see that prices do not run away and that we do not

suffer from inflation. May I assure my hon. friends that we are very careful about this, within our limited capacity, to see that we achieve the results, and we are very carefully considering this matter at the present moment as to what steps we should take in various directions to see that we hold the price-line during the third Plan?

**Shri Anthony Pillai** (Madras North): He is evading the issue. The main issue that the Labour Minister had raised was that wages have not been the cause of price-rise; not at all. Now, does he want to imply that wage-rise has been the cause of price-rise?

**Mr. Speaker:** Along with other factors.

**Shri Morarji Desai:** The hon. Member wants me here to raise some contradiction and then make use of it. I am not going to walk into that trap. He must realise that. Therefore, I am not going to enter into that and not give him any reply in this matter. I hold my own views and those views, unless we discuss together, will not be known to the hon. Member. That is all that I have got to tell him.

**Shri Anthony Pillai:** Tell us that you do not agree.

**Shri Morarji Desai:** I will not say anything about it. (*Interruptions*).

**Mr. Speaker:** Both are correct, he says !

**Some Hon. Members:** He did not say that.

**Shri Bimal Ghose:** That is not possible.

**Shri Morarji Desai:** Sometimes that becomes possible. Sometimes both can be wrong. Therefore, there cannot be any verdict on such matters. At least I cannot pass any verdict on such matters.

Then my hon. friend also quoted the figures of national income in real terms and then tried to deflate them by rising prices. I would say that it is because of that that he thought that national income in real terms has gone down. The factual position is that apart from 1957-58, during which period the national income in real terms went down by 1.5 per cent., there has been a rise in national income all through the last decade. For 1958-59, the increase in real national income was about 6.8 per cent. Obviously this means that there has been a rise in the *per capita* income also. Roughly speaking, the rise in real national income for the last decade or so has been at the rate of 3.5 per cent per annum which is above the rate of growth of population which has been about 1.8 per cent. Therefore, there is no mistake in the fact that real income *per capita* has been rising.

Then I would come to the criticism of my hon. friend Shri A. P. Jain. He described the budget as a super-budget.

Some Hon. Members: The Plan.

Shri Morarji Desai: I am sorry. I missed that word. He described the Plan as a super-budget. I would say that that is not a proper description. The proper description of the Plan would be that it is a broad frame of the budget. That is what it should be called. It cannot be called a super-budget in any sense.

Shri A. P. Jain: I can make a compromise.

Shri Morarji Desai: I am very happy if he does so. But if we want to develop properly and if we want to use our resources in the best manner possible, we must have a Plan. About that also there is no quarrel. If there is no quarrel about it, then the Plan must have all these things. I do not see what the Plan can do otherwise. It is not that the Plan makes the Finance Minister in

anyway helpless. On the contrary, the Plan is an aid to the Finance Minister. That is my proposition, because the Finance Minister also helps in the Plan. Not that he does not do so. If the Finance Minister finds that he is incapable of producing the resources, the Plan also gets framed accordingly. Therefore, it is not that the Finance Minister is driven by anybody. But the Finance Minister is certainly governed and influenced by all reasonable and intellectual efforts that can be there before him. If I would not be influenced by what all the hon. Members say here and I would be as rigid as a stone, I do not think you will have any use of such a person as Finance Minister.

Shri Raghunath Singh: We want a dynamic personality.

Shri Morarji Desai: At the same time, if I yield to everybody, I will be of no use to you. Therefore, one has got to strike a balance somewhere, where to yield and where not to yield. Sometimes one yields and sometimes one does not yield.

Shri A. P. Jain: In spite of all that argument I hope he understood what I meant.

Shri Morarji Desai: I understand my hon. friend very completely, because we had been colleagues for so many years. Even now we are colleagues but in a different and separate sphere. Yes, I understand him correctly and he understands me very correctly. I do not think there is any likelihood of misunderstanding between each other in this matter.

I would like to say that the Plan is not inflexible in the matter of resources also. Every year the Finance Minister has got to consider what can be done and what cannot be done. He does co-ordinate the work and say that this must be done or that must not be done. That is what I meant when I said this.

Then there was some real mistake made by my hon. friend when he

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accounted or when he described the basis of the Planning Commission's report about investment outlays. There is some real mistake committed probably....

**Shri A. P. Jain:** None whatsoever.

**Shri Morarji Desai:** I will show it and then, I am sure, he will admit it. He said that everything has come from borrowing, which is not true.

**Shri A. P. Jain:** I did not say that. I said from the foreign aid, which includes loans and grants, and then from internal borrowing and deficit financing.

**Shri Morarji Desai:** That is what I said. What else did you say? It is borrowing from foreign countries. Deficit financing will also mean the same thing, that is to say, amounts which did not come from the taxes. That is what he said—nothing has come from taxes. That is not quite true.

**Shri D. C. Sharma** (Gurdaspur): Let there be no fight.

**Shri Morarji Desai:** There is no fighting at all. That is left to my hon. friend. Though he is a professor, he fights many people.

It will not be correct to say that the entire Plan outlay of Rs. 4,600 crores will have been financed by borrowing. The balance of revenue available for the Plan are about Rs. 900 crores, if not a little more. Now I will show where the mistake lies. The mistake lies in thinking that drawing down the sterling balance is strictly a budgetary resource, that cannot be counted against Plan expenditure. The foreign exchange budget is a separate matter and reflects not only the expenditure of the public sector but also of the private sector. In other words, if one has to follow the line of reasoning that he propounded to me, then he would have to define the Plan outlay

not as Rs. 4,600 crores but as Rs. 6,900 crores. When he referred to the resources, he did not mention what has to be set against the total investment of Rs. 6,900 crores minus Rs. 3,600 crores in the public sector, that is, Rs. 3,300 crores in the private sector.

**Shri A. P. Jain:** May I know how much of the foreign exchange was utilized by the private sector and how much by the public sector? We can only deduct what is utilized by the private sector.

**Shri Morarji Desai:** I have not the figures here, but I can give them. In the Second Plan, it has been utilized a great deal. Otherwise, the private sector could not have gone up to the extent it has gone up. The difficulty of the situation arises, not because the resources in the public sector have not grown but because the economy has not been generating savings at a higher rate. That is true.

Then, it is true that the Plan outlay of Rs. 4,600 crores represents in real terms less than what would have been meant by the Plan frame. That is what I also said. There is no hiding that fact. That is inevitable. But it would not be right to deflect this figure by the rise in the index of wholesale prices completely. That would not be right. We will have to consider to what extent raw material prices have risen, to what extent wage costs have risen and to what extent the cost of the imported machinery and equipment have risen. The calculation would not by any means be simple.

I would also agree with him that judging in terms of the production capacity created, performance, I would say, would be roughly 80 per cent of what was originally intended. I have no doubt about it. In this matter my hon. friend speaks from close knowledge. Therefore how can I contradict him on this? But I wish he applied his close knowledge to the defects

and why they were there. Then he will not have to ask me. He will have to ask himself. That is all that I will have to say.

**Shri C. D. Pande:** He understands but does not share the responsibility.

**Shri Morarji Desai:** I would like to go to another point about income-tax which he had raised and which some other hon. Members also had raised. He said that income-tax yield has increased from about Rs. 150 crores to Rs. 170 crores only during the last ten years or so while industrial production has increased by 50 per cent and it shows that there is evasion of tax. I would not say that there is no evasion of tax, but there is not this amount of evasion of tax which is sought to be made out from this. May I say that the method adopted by him is not very correct in calculating these things? One sometimes finds that when we calculate by an arithmetical method and give up other factors, arithmetic misleads us though the arithmetical calculation would be very correct.

**Shri A. P. Jain:** I never wanted to be very accurate. I wanted to give just an estimate.

**Shri Morarji Desai:** Therefore I would say that the very increase in industrial activity would not imply a proportionate increase in revenue because there are other factors to be taken into consideration. Substantial incentives have to be given with a view to encourage industrial development. That also takes away some part. Then, while industrial activity might have increased, profits resulting therefrom enjoy tax relief, like, initial depreciation etc. Then there is tax holiday, exemption from super-tax of dividends received by companies from basic industries etc. Further, during the initial period of activity though there may be an absolute increase in production, profits on a substantial scale may not emerge. This also has got to be taken into consideration. The increase in developmental activity has also resulted in diffusion of incomes among persons in lower income brackets

whose contribution to revenue will not be in proportion to the absolute amount of income received by them. All this therefore will not be reflected in income-tax that would be received. And yet in spite of all this I would say that the figures quoted by him also are not very correct.

I would say that the collections from income-tax and corporation tax have in fact gone up from Rs. 159.66 crores for the assessment year 1949-50 to Rs. 242 crores for the assessment year 1959-60. It will thus be seen that they have gone up by more than Rs. 80 crores. Even the total income assessed has increased from Rs. 615 crores in 1949-50 to Rs. 1,184 crores in 1959-60. These figures also include income from sources other than business. But if we take business incomes alone, the increase in the total income would be from Rs. 381 crores for the assessment year 1949-50 to Rs. 680 crores in 1959-60. It will thus be seen that increased industrial production has a reflection and not that it has no reflection. But we go about saying this many times out of our desire to get more and more. That is a legitimate desire. I do not say that it is not so. It is also a hope that we have. If we get more and more we can spend more and more and go further more and more. But our desires must not run away outside practical considerations. That also is a pleading that I would make with my hon. friend.

Substantial results, in fact have been achieved in tracking down concealments to a large extent. But there will be concealments in spite of this. I can never say that concealments will completely disappear. If all crimes can disappear in the world this also can disappear. No crime will disappear from the world. But they can be minimised and the society can become better and better. That is our attempt in this matter and that is what we are trying to do.

My hon. friend, Shri Supakar, had raised a question about the distribu-



[Shri Morarji Desai]

tion of taxes, that is, income-tax and other taxes and said that these were being distributed according to the recommendations of the Finance Commission on the basis of collections which left the backward States more backward. Sir, it is the Finance Commission which does it. And if there is anything to be pleaded, let it be pleaded before that body.

But is it the idea that from wherever there is more wealth it should be taken and should be dumped all in the backward areas immediately?

**Shri Supakar** (Sambalpur): Not that.

**Shri Morarji Desai**: Then what is the argument?

**Shri Supakar**: It should be distributed equitably to ensure uniform progress.

**Shri Morarji Desai**: It is now distributed on a population basis, and even more goes there than is earned there. I do not know what more is wanted in this matter. It is only ten per cent. that goes to the area of collection; ninety per cent. goes in the matter of population. I do not know what more is wanted.

**Shri C. D. Pande**: Population and income, both.

**Shri Morarji Desai**: Population is ninety per cent, as far as I know. The present distribution is 10 per cent collection and 90 per cent. population. There must be ten per cent. on the basis of collection. Otherwise there will be no incentive to collection; I do not think that that would be the right thing at all. I do not think one could go beyond that. And yet, if it is desired to go beyond this, there will be the Finance Commission before which they can plead.

I would now go to the question of growth of civil expenditure, which

has been also a perennial subject of criticism. It is rightly so, it should be so; because, it is a thing which requires to be checked every year. Government is likely otherwise to become unmindful sometimes. Some Departments do become unmindful. Therefore, it is better that this should be constantly drawn attention to.

But if the attention is drawn only in a general way, only from the figures given, then it will not catch the particular point which requires to be arrested. But it will, on the contrary, have another effect, of complacency and one would say, "well, this is all wrong, and what can one do about it?"

I would like, therefore, to clarify how the increase in civil expenditure has taken place in this year or in the previous two or three years. Last year, in reference to a criticism, I had circulated a memorandum on the growth of civil expenditure from the year 1957-58 to 1959-60. I had circulated it last May. And, as mentioned therein, the total net civil expenditure in 1957-58 was of the order of Rs. 427 crores. The budget estimate for civil expenditure this year stands at Rs. 708 crores. This will mean an increase of Rs. 281 crores. But please do not think that this Rs. 281 crores has gone in administrative services. This Rs. 281 crores would mean Rs. 100 crores under the group head 'Civil Administration', Rs. 68 crores under 'Miscellaneous', Rs. 34 crores under 'States' share of 'Union Excise Duties', Rs. 33 crores under 'Debt Services', Rs. 12 crores under 'Community Development', Rs. 11 crores under 'Direct Payments on Revenue' and Rs. 10 crores under 'PL 480'.

Of the increase of Rs. 100 crores under Civil Administration, administrative services proper account for an increase of Rs. 19 crores. The balance of Rs. 81 crores is for development of social services, namely scientific department, education, medicine,

public health, agriculture and allied services like co-operation. The increase under all these heads is due mainly to the larger provision required for implementing the development plans. Administrative services proper which show an increase of Rs. 19 crores during this four-year period comprise mainly general administration including expenditure on audit, police, external affairs and tribal areas. The increase in expenditure on audit and tribal areas amounts to Rs. 2 and Rs. 7 crores respectively, and this is chiefly the result of larger outlays on development plans. The expenditure on police and external affairs shows an increase of Rs. 3 crores, mainly on account of policing of border areas and for meeting the cost of India's international obligations. The head "General Administration" therefore shows an increase of Rs. 2.36 crores.

**Shri Tyagi:** Have our external obligations increased? They remain as they were last year.

**Shri Morarji Desai:** Some more consulates etc. are opened.

**Shri Tyagi:** This is wasteful.

**Shri Morarji Desai:** There can be a difference of opinion on this matter. If we want to have a place in the world, and a place of importance, we have also to pay the penalty for it.

**Shri Tyagi:** Have strength in yourself at home, and you will be respected abroad.

**Shri Morarji Desai:** Merely having strength at home, sitting here, not having contact with the world, we cannot go on with our Plan, it is not possible. We want the sympathy and help of all people. If we want that, we will have to keep all these things. We will have to work for all this. If we do not do that, we cannot go ahead. The hon. Member is generally very studious about all these matters, but he sometimes becomes very critical because of certain ideological or ideal conditions which he wants

to have. I would request him to be a little more practical in this matter. I am prepared to understand him, and where expenditure can be cut out, we will be prepared to cut it out.

We are now trying to cover all Ministries to see that work is done in a proper manner so that redundant staff is removed, and I think within two or three years we will be able to cover all the Ministries, and then wasteful expenditure in this direction will go. It is getting economised in various Ministries as time goes on, and yet I cannot say that there will be no waste whatsoever in this. It will be wrong for me to say that. Some waste is unavoidable in life, in all human affairs, but that waste must be such as can be explained, as is unavoidable. Even if we eat ideal food, we are not able to assimilate the whole of it. That is what happens to human life, that is how man is created. Then how do you expect man to regulate his dealings that there can be no waste? That is what I want the hon. Members to remember.

Now I would refer to a few points about taxation because there is very little time left, and I do not want myself to be the cause of extending the time.

**Mr. Speaker:** Can he not reserve them for any of the clauses?

**Shri Morarji Desai:** Yes, that should be quite all right, but I was allotted time up to 4-55 and I will finish within that time.

There was a question of tariff figures representing a weighted average of the prices of engines, and it was said that those which were produced by smaller factories have to pay also the same, and that was the difficulty. If we consider the price at Rs. 4,400 at present, which is the price of the engine produced by the bigger factories, and the price of Rs. 2,300 which is the price of an engine produced by the small-scale industry, the difference between the two prices today is Rs. 2,100. That

[Shri Morarji Desai]

is, the smaller industry has got a benefit of Rs. 2,100 as price difference. What happens after the tariff which we have levied? They are getting a 20 per cent. rebate as I have said in my proposals now. Considering that 20 per cent. rebate, their value will be Rs. 2,476, adding Rs. 176 as tax; Rs. 220 will be the tax added to Rs. 4,400 and it will be Rs. 4,620. The difference between the two will be Rs. 2,144, i.e., the difference in price now obtained is Rs. 44 more, and not less. Therefore, I think there should be no cause for quarrel in this matter.

My hon. friend Shri Morarka referred to some questions about customs. May I say that some cases in which goods were missing from customs warehouses did come to my notice, to the notice of my Ministry, and we soon took steps to see that in future this does not happen? We have also taken steps to see that those who are responsible for it are traced. But it is not always possible to do so when it is after a long time, but we have now made rules and arrangements whereby this is least likely to happen in future, and I hope that I will have no occasion to hear such complaints hereafter.

About disposal of goods also, there was a method employed which led to misuse. We have, therefore, prescribed now definite rules, and definite arrangements have been made to see that these things are auctioned regularly and frequently, so that nothing decays and nothing is lost and full price is obtained. That also has been done. I thank my hon. friend for bringing this to my notice, and I shall be thankful to all hon. Members if such things are brought to my notice, so that these matters can be remedied as quickly as possible.

Then, I was told about co-operative societies, and asked whether due account will be taken of the accounting periods adopted by the co-operative societies, while applying the new provisions. That is, they have dif-

ferent accounting periods. May I say that this will certainly be done, and there should be no cause for grievance on that score!

I shall leave the rest of the reply, perhaps, for the clauses.

**Shri M. B. Thakore:** May I seek a clarification from the hon. Minister?

**Mr. Speaker:** Is it something new?

**Shri M. B. Thakore:** Here, the Finance Minister has said that the rise in prices depends upon various factors, but in his speech in the Rajya Sabha, at page 258 of the uncorrected debates on 7th March, 1960, he said:

"The general prices in this country depend upon agricultural prices, and it is the rising of agricultural prices, which is responsible for the rising prices all round."

May I seek the clarification from the hon. Minister on this statement?

**Shri Morarji Desai:** The clarification would be this, that that is one of the factors, no doubt.

**Shri M. B. Thakore:** It is the main factor? It is not mentioned in it.

**Mr. Speaker:** He has repeatedly said that there are a number of factors, and this is one of the main factors.

The question is:

"That the Bill to give effect to the financial proposals of the Central Government for the financial year 1960-61 be taken into consideration."

*The motion was adopted.*

**Mr. Speaker:** We shall now take up the clauses. Since there are no amendments to clauses 2 and 3, I shall put them together to vote.

The question is:

“That clauses 2 and 3 stand part of the Bill”.

*The motion was adopted.*

*Clauses 2 and 3 were added to the Bill.*

**Clause 4.**—(Amendment of section 9)

**Mr. Speaker:** There is an amend<sup>ment</sup> to clause 4, namely amendment No. 57. That is out of order, because the recommendation required under article 274 of the Constitution has not been received. The amendment reads thus:

“Notwithstanding anything contained in such law the amount of taxes payable on Municipal properties the liability of the tenants shall be limited to the extent of fifty per cent and.”

This is out of order on the ground that the States are interested in it. It is not that it seeks to increase the taxation. Hon. Members are aware that when there is reduction of taxation, no sanction of the President is necessary. But when a particular tax has to be distributed to the States or the States are interested in it, the consent of the States and the President is necessary.

**Shri C. D. Pande:** I have got an amendment to this clause, namely amendment No. 57.

**Mr. Speaker:** I have just said that I have ruled it out of order.

**Shri C. D. Pande:** It does not increase the tax, but it only reduces it. I think there is some mistake in cyclostyling. I shall explain it.

**Mr. Speaker:** Perhaps, the hon. Member did not follow what I said. There are two or three grounds on which an amendment is out of order. If an amendment seeks to increase the rate of tax, then the sanction of the President is necessary.

**Shri C. D. Pande:** But my I just point that this amendment only reduces the tax?

17 hrs.

**Mr. Speaker:** I have myself said that this amendment does not come in that category.

But there are certain taxes in which the States are interested and the consent of the President is necessary under article 274. Therefore, the sanction of the President is necessary here. And, so, the amendment is out of order.

Now, the question is:

“That clause 4 stand part of the Bill.”

*The motion was adopted.*

*Clause 4 was added to the Bill.*

*Clause 5 was added to the Bill.*

**Clause 6.**—(Amendment of section 14)

*Amendment<sub>s</sub> made:*

Page 3,—

for line 37 to 42, substitute—

“(3) The tax shall not be payable by a co-operative society—

(i) in respect of its profits, and gains of business carried on by it, if it is—

(a) a society engaged in carrying on the business of banking or providing credit facilities to its members; or” (46)

Page 4,—

for lines 8 to 14, substitute—

“(e) a society engaged in the processing without the aid of power of the agricultural produce of its members; or

(f) a primary society engaged in supplying milk raised by its

[Mr. Speaker]

members to a federal milk co-operative society:

Provided that, in the case of a co-operative society which is also engaged in activities other than those mentioned in this clause, nothing contained herein shall apply to that part of its profits and gain as is attributable to such activities and as exceeds fifteen thousand rupees;" (47)

Page 4, line 16,—

for "ten thousand" substitute—  
"fifteen thousand". (48)

[Shri Morarji Desai]

Mr. Speaker: The question is:

"That clause 6, as amended, stand part of the Bill."

*The motion was adopted.*

Clause 6, as amended, was added to the Bill.

Clause 7 was added to the Bill.

Clause 8.—(Amendment of section 15)

Amendment made:

page 5,—

for clause 8, substitute—

"8. Amendment of section 15C.— In section 15C of the Income-tax Act,—

(a) in clause (ii) of sub-section (2), for the word "thirteen", the word "eighteen" shall be substituted; and

(b) to sub-section (6) the following proviso shall be added, namely:—

"Provided that where the assessee is a co-operative society, this sub-section shall have effect as if for the words "four assessments" the words "six assessments" had been substituted." (49)

[Shri Morarji Desai]

Mr. Speaker: The question is:

"That clause 8, as amended, stand part of the Bill."

*The motion was adopted.*

Clause 8, as amended, was added to the Bill.

Clauses 9 to 15 were added to the Bill.

Clause 16.—(Amendment of section 6)

Mr. Speaker: I think amendments Nos. 2 and 35 are out of order.

Is any hon. Member moving any amendment to clause 16? None. I shall put clauses 16 and 17 to the vote of the House.

The question is:

"That Clauses 16 and 17 stand part of the Bill."

*The motion was adopted.*

Clauses 16 and 17 were added to the Bill.

Mr. Speaker: 17A is a new clause. That is also out of order, being beyond the scope of the Bill. So, I need not put it to the vote of the House.

Shri Karni Singhji (Bikaner): The Estate Duty (Amendment) Bill has been introduced today. This would be in continuation of that.

Mr. Speaker: Let him give fresh notice when the Estate Duty Bill comes up. I am prepared to receive another notice regarding that. Now, the question is:

"That clause 18 stand part of the Bill."

*The motion was adopted.*

Clause 18 was added to the Bill.

Clause 19 was added to the Bill.

Mr. Speaker: Now I shall take up clause 20. There are a few amendments.

**Clause 20.—(Amendment of Act I of 1944)**

**Shri Naushir Bharucha:** I beg to move:

Page 9, lines 40 and 41,—

for "Sixty naye paise per tyre or fifteen per cent. *ad valorem*, whichever is higher,"

*Substitute—*

"Five per cent. *ad Valorem*," (8)

**Shri Braj Raj Singh:** I beg to move:

Page 10, lines 1 and 2,—

for "Thirty naye paise per tube or fifteen per cent. *ad valorem*, whichever is higher"

*substitute—*

"Five per cent. *ad valorem*" (32)

Page 11,—

omit lines 20 to 22. (33)

Page 12,—

omit lines 46 to 49. (34)

**Shri Anthony Pillai:** I beg to move:

Page 12, lines 36 to 38,—

omit "or fifteen per cent. *ad valorem* whichever is higher" (52)

Page 12,—

omit lines 41 to 43. (52)

श्री मोहम्मद इलियास : माननीय अध्यक्ष जी, मैंने बहुत सी समस्याओं के बारे में कहना था, मगर वक्त कम होने की वजह से मैं ज्यादा लम्बा जिक्र नहीं करूंगा। मैं देश के दो महान शहरों के कई एक बहुत जरूरी सवाल और उनकी समस्याएँ यहां पर रखना चाहता हूँ और सरकार का ध्यान उन की तरफ दिलाना चाहता हूँ।

पहली बात यह है कि हमारे हावड़ा टाउन की एक कहानी है। यह बहुत दुख

की कहानी है। हावड़ा टाउन आज हिन्दुस्तान में सब से बड़ा इंडस्ट्रियल टाउन है। वह इंजीनियरिंग इंडस्ट्री का सब से बड़ा सेंटर है। इसके अलावा हिन्दुस्तान में सबसे बड़ा रेलवे स्टेशन हावड़ा में है, जो कि तमाम दुनियां में तीसरा बड़ा रेलवे स्टेशन है और जो लाखों पैसैजर्स डेली हैंडल कर रहा है। इसी हावड़ा टाउन में हिन्दुस्तान का सब से बड़ा बोटैनिकल गार्डन है। यहां ही हिन्दुस्तान का सब से बड़ा इंजीनियरिंग कालेज है। इस की ग्रहमियत खाली इसी में नहीं है, यह साउथ ईस्ट एशिया में स्माल स्केल इंडस्ट्रीज का बिगस्ट सेंटर है। इसके अलावा हिन्दुस्तान में इंडस्ट्रियलाइजेशन का पहला कदम १९१९ में हावड़ा में रखा गया था।

**Mr. Speaker:** Order, order. Is this a general discussion?

**Shri Muhammed Elias:** All these come under clause 20.

**Mr. Speaker:** What has that to do with Howrah and botanical garden?

**Shri Muhammed Elias:** I had no chance to speak.

**Mr. Speaker:** I will certainly give him a chance. Let us dispose of this quickly and whatever remains on the third reading, I will allow him time if he wants to say about Howrah and Botanical garden.

**Shri Muhammed Elias:** This is a very important thing.

**Mr. Speaker:** I have no doubt about it. But this is not the proper place.

**Shri Muhammed Elias:** Please give me a little time.

**Mr. Speaker:** If there is the smallest time in the third reading, I will give it to him for Howrah.

**Shri Naushir Bharucha:** So far as amendment No. 8 is concerned, I do

[Shri Naushir Bharucha]

not want to make a speech but it relates to the tax on cycle tyres and tubes and I hope you will permit us to press this one amendment as a token opposition to increases in the price of tubes and tyres for cycles.

**Mr. Speaker:** I shall now put amendments Nos. 32, 33, 34, 52 and 53 to the vote of the House.

*The amendments Nos. 32, 33, 34, 52 and 53 were put and negatived.*

**Shri Braj Raj Singh:** What about amendment No. 8?

*Division No. 7]*

Bharucha, Shri Naushir  
Chakravartty, Shrimati Renu  
Dharmalingam, Shri  
Elias, Shri Mohammed  
Gaikwad, Shri B. K.  
Ghosal, Shri Aurobindo  
Godsora, Shri S. C.  
Gopalani, Shri A. K.  
Jadav, Shri  
Katti, Shri D. A.  
Kayal, Shri P. N.  
Kedaria, Shri C. M.

Achar, Shri  
Aney, Dr. M. S.  
Bajaj, Shri Kamalnayan  
Balmiki, Shri  
Basappa, Shri  
Bhagat, Shri B. R.  
Boroosh, Shri P. C.  
Chandak, Shri  
Chandra Shankar, Shri  
Choudhry, Shri C. L.  
Chuni Lal, Shri  
Dasappa, Shri  
Desai, Shri Morarji  
Dube, Shri Mulchand  
Dwivedi, Shri M. L.  
Eacharan, Shri V.  
Ganga Devi, Shrimati  
Gounder, Shri K. Periaswami  
Gupta, Shri Ram Krishan  
Hathi, Shri  
Hajivan Ram, Shri  
Jain, Shri M. C.  
Jhangde, Shri  
Jedhe, Shri  
Jhunjhunwala, Shri  
Jinachandran, Shri  
Jvotishi, Pandit J. P.  
Janungo, Shri

Kesar Kumari, Shrimati  
Keshava, Shri  
Keskar, Dr.  
Khadihar, Shri  
Khadiwala, Shri  
Khan, Shri Osman Ali  
Kodiyani, Shri  
Krishnaswami, Dr.  
Kunhan, Shri  
Matin, Qazi  
Mohammed Imam, Shri  
Mullick, Shri B. C.

Kedaria, Shri C. M.  
Khan, Shri Sadath Ali  
Kiledar, Shri R. S.  
Kotaki, Shri Liladhar  
Krishnappa, Shri M. V.  
Lachhi Ram, Shri  
Laxmi Bai, Shrimati  
Mallik, Shri D. C.  
Manaan, Shri  
Maniyangadan, Shri  
Masuriya Din, Shri  
Mehta, Shrimati Krishna  
Melkote, Dr.  
Misra, Shri R. R.  
Morarka, Shri  
Munisamy, Shri N. R.  
Muthukrishnan, Shri  
Nair, Shri C. K.  
Nair, Shri Kuttikrishnan  
Nanjappa, Shri  
Nayak, Shri Mehan  
Negi, Shri Naik Ram  
Neswi, Shri  
Pande, Shri C. D.  
Pattabhi Ramen, Shri C. R.  
Pillai, Shri Thanu  
Raghubir Sahai, Shri  
Raj Bahadur, Shri

**Mr. Speaker:** I shall put that separately.

**Shri Naushir Bharucha:** That is about the cycle tax.

**Mr. Speaker:** The question is:

Page 9, lines 40 and 41,—

For "Sixty naye paise per tyre or fifteen per cent. *ad valorem*, whichever is higher,"

Substitute "Five per cent. *ad valorem*." (8)

*The Lok Sabha divided.*

**AYES**

[17.16 hrs.]

Parulekar, Shri  
Patil, Shri Balasaheb  
Pillai, Shri Anthony  
Rao, Shri T. B. Vittal  
Reddy, Shri Nagi  
Shastry, Shri Prakash Vir  
Singh, Shri Braj Raj  
Singh, Shri Jaipal  
Singhji, Shri Karni  
Soren, Shri  
Thakore, Shri M. B.

**NOES**

Ramaswamy, Shri K. S.  
Ramaul, Shri S. N.  
Rane, Shri  
Ray, Shrimati Renuka  
Reddy, Shri K. C.  
Sahu, Shri Rameshwar  
Saigal, Sardar A. S.  
Samantsinhar, Dr.  
Satyabhama Devi, Shrimati  
Sharma, Shri D. C.  
Sharma, Shri R. C.  
Singh, Dr. Ram Subhag  
Singh, Sardar Hukum  
Singh, Shri D. N.  
Singh, Shri Dinesh  
Singh, Shri Raghunath  
Singh, Shri Umrao  
Sinha, Shri Gajendra Prasad  
Sinha, Shri Jhulan  
Sinha, Shri Satya Narayan  
Sinha, Shrimati Terkeshwari  
Snatak, Shri Nardeo  
Subramanyam, Shri T.  
Taru, Shri A. M.  
Tiwary, Pandit D. N.  
Tyagi, Shri

**Shri Jaipal Singh:** Sir, there is a particular hon. Member who is not sitting in his place. He is Shri Raghunath Singh.

**Shri Raghunath Singh:** This is my seat.

**Shri Jaipal Singh:** The hon. Minister of Parliamentary Affairs is also not sitting in his place.

**Shri Morarji Desai:** That is his seat.

**Shri Jaipal Singh:** I hope he continues to sit there!

**Shri Satya Narayan Sinha:** I always take notice of what the hon. Member says when he is in a different mood!

**Mr. Speaker:** Now, who are the hon. Members whose votes have not been recorded properly and so on?

**Shri Tyagi:** My vote has not been recorded. I am for Noes.

श्री च० ला० चौधरी (हाजीपुर—रक्षित-  
अनुसूचित जातियाँ): मेरा वोट रिकार्ड  
नहीं हुआ है। मेरा वोट नोज की तरफ  
है।

**Mr. Speaker:** The result is as follows:

Ayes 27; Noes 82.

*The motion was negatived.*

**Mr. Speaker:** The question is:

"That clause 20 stand part of the Bill".

*The motion was adopted.*

*Clause 20 was added to the Bill*

*Clauses 21 to 23 were added to the Bill.*

**Mr. Speaker:** I shall now take up the schedules. All the three amendments to the first schedule are out of order. The amendments are 59, 60 and 61. Recommendation is required under article 274(1), as the States are interested in it. The question is:

"That the First Schedule stand part of the Bill".

*The motion was adopted.*

*The First Schedule was added to the Bill.*

**Pandit Thakur Das Bhargava (Hisar):** So far as the question of reduction of tax is concerned, under article 117 no amendment can be ruled out.

**Mr. Speaker:** It is not under that article. But when the States are interested in a particular tax.....

**Pandit Thakur Das Bhargava:** I have taken care to see that they only affect those taxes which do not go to the States. I have given an explanation.

**Mr. Speaker:** What does it refer to?

**Pandit Thakur Das Bhargava:** Even an explanation has been added to one of the amendments to say that the taxes which go to the States are not exempted. These amendments relate to the first schedule,—income-tax and the surcharge relating to the tax. The third amendment relates to super-tax.

**Mr. Speaker:** What are the numbers of the amendments?

**Pandit Thakur Das Bhargava:** I forget the numbers.

**Mr. Speaker:** In my note there are only three amendments relating to the Schedules, and they are No. 59, 60 and 61. I have ruled them as out of order.

**Pandit Thakur Das Bhargava:** I want to know how they are out of order.

**Mr. Speaker:** Are the States not interested in them?

**Pandit Thakur Das Bhargava:** They are moved in this House every year.

**Mr. Speaker:** That is another matter. But the States are interested in income-tax.

**Pandit Thakur Das Bhargava:** I know that. But, so far as one of



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the surcharges is concerned, it relates only to the Union tax. This is for the purpose of the Union alone. How can that be out of order.

**Mr. Speaker:** As long as even a portion relates to the States, the States are concerned.

**Pandit Thakur Das Bhargava:** There are two surcharges. One goes to the States and the other goes to the Union. I have suggested amendment to the tax which goes to the Union.

**Shri Naushir Bharucha:** With regard to the amendments that are proposed to be moved, even if they are not hit by article 274 they attract the mischief of article 117.

**Pandit Thakur Das Bhargava:** Reduction of the tax is admissible under article 117. I am not suggesting the raising of the tax. The Chair has ruled many a time that amendment relating to reduction of tax is admissible.

**Mr. Speaker:** Now let me take them one by one, as each is different from the other. Amendment No. 59 relates to income-tax.

**Pandit Thakur Das Bhargava:** A portion of that tax relates to the Union also.

**Mr. Speaker:** Even if a portion of the tax goes to the State, to that extent, it is varying the tax and therefore, it is out of order.

**Pandit Thakur Das Bhargava:** Under what law?

**Mr. Speaker:** Article 274 says:

"No Bill or amendments which imposes or varies any tax or duty in which States are interested... shall be introduced or moved in either House of Parliament, except on the recommendation of the President."

Income-tax is one of the taxes in which the States are interested.

**Pandit Thakur Das Bhargava:** So far as the surcharge is concerned..

**Mr. Speaker:** That is over.

**Pandit Thakur Das Bhargava:** It does not relate to the States. It relates to the Union. In this very Schedule it is stated that the surcharge shall go only to the Union

**Mr. Speaker:** A share goes to the States.

**Pandit Thakur Das Bhargava:** They are not going to the States. There are two kinds of surcharges. One goes to the Union and the other goes to the States. I have moved rather given notice of an amendment in respect of the surcharge which goes to the Union.

**Mr. Speaker:** Which amendment is he referring to?

**Pandit Thakur Das Bhargava:** I am referring to amendment No. 60.

**Mr. Speaker:** Let us dispose them one after the other. Amendment No. 59 is out of order. Now let us take up Amendment No. 60.

**Pandit Thakur Das Bhargava:** I have even incorporated an Explanation saying "This exemption shall relate only to surcharge for purposes of the Union". I have taken even that precaution.

**Mr. Speaker:** Article 274 relates to surcharge also. It says:

"No Bill or amendment which imposes or varies any tax or duty in which States are interested... as defined for the purposes of the enactments relating to Indian income-tax, or which affects the principles on which any of the foregoing provisions of this Chapter moneys are or may be distributable to the States, or which

imposes any such surcharge for the purposes of the Union as is mentioned in the foregoing provisions of this Chapter, shall be introduced or moved in either House of Parliament except on the recommendation of the President."

So, it relates to surcharge also.

**Pandit Thakur Das Bhargava:** Then I may be allowed to speak on the Schedule.

**Mr. Speaker:** I have already allowed the Schedule to be passed. So, I will give him an opportunity in the third reading. Now let him resume his seat.

The question is:

"That the Second Schedule stand part of the Bill."

*The motion was adopted.*

*The Second Schedule was added to the Bill.*

**Mr. Speaker:** Are there other Schedules also?.....No.

The question is:

"That clause 1, the Enacting Formula and the Long Title stand part of the Bill."

*The motion was negatived.*

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

**Shri Morarji Desai:** Sir, I beg to move that the Bill, as amended, be passed.

**Mr. Speaker:** Motion moved:

"That the Bill, as amended, be passed."

**Pandit Thakur Das Bhargava:** I hope all hon. Members who speak on this will be very brief, as brief as possible. I will call Shri Elias also.

**Pandit Thakur Das Bhargava:** Mr. Speaker, Sir, yesterday when you

were not in the Chair I had something to say so far as the question of Hindu undivided family was concerned. But I find that today the hon. Minister has not found time to deal with this subject. Last year he was pleased to say that he will send a reply to me about his appointing a committee to go into this matter. If you will kindly look into the history of about the last 32 years, you will be pleased to see that not one Finance Minister but all the Finance Ministers who have adorned these Benches had been saying in this House that so far as the Hindu joint family was concerned injustice was being done to it. One or two of them I have already quoted in this House. I do not want to quote them again. I have quoted Schuster and Rowlands. The late Mr. Liaquat Ali Khan and other Finance Ministers have also taken the same view. Dr. John Matthai was one of those who accepted this and made certain innovations also so far as this Schedule is concerned. It was he who first of all raised this taxable amount in regard to the Hindu joint family from Rs. 3,000 to Rs. 3,600. Later he increased the amount to Rs. 8,400 in respect of families which had two members. In respect of those which had more than three members the amount was raised to Rs. 12,600. This was as a sort of a palliative because the system enunciated in this Bill is too harsh. But after that I was always told every year that the matter shall be sent to the Taxation Inquiry Commission when it was appointed.

The matter was so sent and I appeared before the Commission. At that time the Commission said that since the Hindu law was on the anvil of the legislature this point could not be gone into. Now so far as the Hindu law is concerned that has been passed and the Hindu law has affirmed that the Hindu joint family has to continue. It has not abolished it.

Since the time he sent his reply to me some further things have taken place which have not been considered by the hon. Minister. He is of the

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view that no committee is needed. But at the same time he does not say that so far as the Hindu joint family is concerned there is no case for being examined. Even Shri Krishnamachari, the previous Finance Minister who was all for revenue—he said, “I am only for revenue, not for equity”—all the same recited his own story and came to the conclusion that the matter must be looked into. Last year the hon. Finance Minister told me that he was not all for revenue. Even today he was pleased to say that the first concern of a Finance Minister is money, but at the same time I know that his view is that money must be taken with fairness and equity. He is not out for money in that way. If every Finance Minister was for money only, then I should say that it is better to tax the other things, like air and water also and put to auction posts and services. Then the decoits and the thieves also will justify their action on the basis of revenue. But I do not think that he is of that view. Therefore I think that taxes should only be realised if they are fair, reasonable and equitable otherwise there will be no difference between a civilised government and those who take these taxes without any rhyme or reason.

Now two things have happened. First of all, I will call the attention of the hon. Minister to articles 13 and 14 of the Constitution. When 86 years ago this Hindu undivided family was taken as a unit for taxation there was no law like our Constitution. I will call the attention of the hon. Finance Minister to articles 13 and 14 of the Constitution. Article 13 says:

“All laws in force in the territory of India immediately before the commencement of this Constitution, in so far as they are inconsistent with the provisions of this Part, shall, to the extent of such inconsistency, be void.”

Therefore, according to my mind, all these provisions of law which are not in consonance with article 14 of the Constitution are certainly in contravention of article 13 of the Constitution and they are not good.

At the same time, after the year 1949 when the Income-tax Investigation Commission met and the matter was examined by the Taxation Enquiry Commission, even after that this Government has brought up an Estate Duty Bill and passed an Estate Duty Act. From 1924 to 1946-47 the view taken was that it is not possible to impose any estate duty on the Hindu undivided family as it could not be predicated about the family that the family's property can be treated as partitioned. But when the Estate Duty Act was passed, the theory of a notional division was accepted, and it was that the separation had taken place just before the death of the person and on that basis his property was found out and estate duty levied.

The basis on which the report of the Income-tax Investigation Commission or the Taxation Enquiry Commission is founded in respect of H.U.F. is no longer tenable and cannot be relied upon. On the contrary, when the Government has accepted the theory of notional separation, as a result of a supposed partition before death, Government should have no hesitation in accepting that very theory in so far as Income-tax is concerned.

At the same time it would be difficult perhaps for the hon. Minister to just now express his views. Because, according to me, as a matter of fact, even what the Investigation Commission and the Taxation Enquiry Committee supported and recommended—and according to that recommendation, for several years the law was in force—even that right of the Hindu

undivided family was taken away by the previous Finance Minister by one stroke of the pen. Whatever palliative was given was not allowed to be continued, and no reason was given. I then and there questioned as to what was the reason, and the Finance Minister then said there was no reason behind it; he only said "I want money". I know from what fell from the present Finance Minister, after the previous Finance Minister went away: he told me that his consideration was not solely money. Therefore I respect him.

Before this question is finally settled I want to make this appeal. This important but complicated question cannot be settled in this manner as the hon. Minister has been able to write to me. He said to me, "As a matter of fact, now the Hindu Succession Act has been passed, and we are watching the results of the Hindu Succession law". For how long will he wait? Will he wait for fifty years to see how that Act is working? If that continues, and there is no prospect of that Act being taken away, my humble submission is that it means that he is not going to decide this matter this way or that way. This is rather too much. This means that indefinitely they do not want to decide this matter on the merits.

I once submitted an application to the President to allow me to put in a Bill in this House, so that I may be able to support my case and see that this House accepts the theory that the Hindu undivided family should not be regarded as a unit of taxation. But then the Government did not allow me to do that. I want to ask, is it fair and just that you do not allow me to bring a Bill, you do not also want to enter into this question, you do not want to decide or have a committee, you do not also want to refer it to the Law Commission? Then how will it be decided? Or is it said that because they have the authority in their hands to say 'no', therefore they should say 'no'? Is it fair and just?

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This is not the only thing in respect of which great injustice is being done. May I refer you to the provisions of the Delhi Land Holdings (Ceiling) Bill in which a Hindu undivided family of fourteen, fifteen or twenty persons is regarded as one unit and thus twenty persons are said to be entitled to thirty acres, whereas one person is entitled to thirty acres? Similarly, in regard to estate duty, as I brought it out and proved before the House when that Bill was being amended in this House, there is a great discrimination between even a person and a Hindu undivided family. In Income-tax here, they charge from every person Income-tax even if he is not a co-parcener and he is entitled only to maintenance. Even from him they charge Income-tax.

So Government has done three wonderful things. In the Hindu Marriage Act we found that on impotent persons the parenthood of certain children is foisted. So far as the Income-tax is concerned, even those persons who have got no income but are only entitled to maintenance under the joint Hindu family, even those persons are mulcted. Even labourers earning Rs. 30 a month are liable or even those who do not earn anything at all. In the case of estate duty, it is being levied upon the property of living persons in the case of Hindus and there is no minimum for Hindu undivided families. In the olden days there was *jesia* under a foreign Government, but do we expect from our own Government which says that it believes in the Constitution that a Hindu family be treated in a different manner from a non-Hindu family? In the case of non-Hindus, even if four persons do business jointly in a family, each one can get Rs. 4,000 a month, whereas in a Hindu family similarly situated, they will get only Rs. 1,000 each if the income is 4 lakhs in each case. This is the distinction.

What is the basis for it? In the Constitution there are only two institutions, the individual and the State.

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Nowhere in the whole world is a family or a family preferring a particular religion, but the Hindu family which is being mulcted like this. This is a strange thing that the Government is doing.

It may be a legacy of the past, and therefore Government should take its time, but the reply we get is that they are watching the effect of the Hindu Succession Act, and the Minister does not know when he will appoint a committee. If he is not prepared to appoint a committee, let him send the matter to the Law Commission, because the Taxation Enquiry Commission had definitely said that it was not going into the matter as the Hindu law was on the anvil of the legislature. The Income-tax Investigation Commission was not charged with this at all, it had only to find out the evasion part of it. Still, it went out of its way and made certain obit observations. It said that in regard to super tax there should be no differentiation, and that in the case of a Hindu joint family, the amount should be proportionate to the number of members constituting it. The recommendations of both the Commission which are in favour of Hindu undivided family have been given the go by. I have never seen a case of such injustice being perpetrated in this Parliament.

I would therefore request the hon. Minister to go into the matter in order to do justice to these people. If he feels himself incompetent to do so, he should entrust the matter to some other body. I invite his attention to articles 13 and 14 of the Constitution, and to come to his own conclusion, and I will be happy even if it goes against me, but all Finance Ministers for the last 32 years have refused to look into the question. Last year our Finance Minister said he did not know the intricacies of the problem. If he cannot decide it himself, let him entrust it to some other body, but the refusal to decide the matter cannot be tolerated. He can give relief if he wants to.

Shri C. D. Pande: Next year.

Pandit Thakur Das Bhargava: Next year? I had occasion yesterday to tell the story of the *kikar* tree. Every time a person went to his debtor's home, he was asked to come the next day. After twelve years in this way, one day when he went, the debtor's wife was present, and she said: "Here we have got some *kikar* seeds. We will sow it, and when the tree grows out of it, it will be cut and then we will be able to pay your debt." He has not given relief during the last three years. If you do not change the Act, how can relief be given? It means the patient should be killed, so that there should be no question of relief at all. Because he is so unjust to the Hindu undivided family, I also propose to him to finish it up, I am agreeable, I will support him here. I have always said so. Since this Government is unable to do justice, it is better it finishes the institution rather than regarding it as a milch cow and getting hundreds of crores from it, realising it unconsciously, unjustly and without reason or rhyme. Therefore, I would beg of the Minister to come to grips with this question and not relegate it to some future generation 50 years later, after he has watched the results of the Hindu Succession Act.

श्री मोहम्मद इलियास : माननीय अध्यक्ष जी, अभी मैं हावड़ा टाउन की ग्रहमियत के बारे में समझाने की कोशिश कर रहा था कि इस जगह में कई एक इंडस्ट्रीज़ का तो बड़ा सेंटर है ही, साथ ही यही टाउन है, जहां इंडस्ट्रियलाइजेशन शुरू हुआ था, यानी पेपर मिल, इंजीनियरिंग और शिप-बिल्डिंग का कारखाना और टैक्सटाइल फ़ैक्ट्री सबसे पहले हावड़ा में शुरू किए गए। आज तक हावड़ा में इंडस्ट्रियलाइजेशन बहुत जोर से हो रहा है। वहां मजदूरों की तादाद कुछ भी न हो तो चार लाख से ज्यादा है। वहां फैक्टरियों की तादाद भी कम से कम दो हजार से ज्यादा है। मगर इतना बड़ा

जो टाउन है, जो फ़ारेन एक्सचेंज लाने में इतनी भारी मदद करता है, जिस की इंडस्ट्री फ़ारेन एक्सचेंज हासिल करने में इतनी मदद करती है, उसकी हालत बहुत बुरी है और इसी बात पर मैं रोशनी डालना चाहता हूँ।

इस जगह में कोई अच्छा रास्ता नहीं है। ग्रांड ट्रंक रोड किसी किसी जगह सिर्फ दस पंद्रह फीट चौड़ी है और उस का फुट-पाथ शायद दो तीन फीट चौड़ा होगा, इससे ज्यादा नहीं। ऐसे इंडस्ट्रियलाइज्ड टाउन में जैसे अच्छे रास्ते होने चाहिये, वे वहाँ नहीं हैं। इसका नतीजा यह है कि हर वक्त ट्रैफिक जैम हो जाता है। बहुत सी फ़ैक्ट्रियों में माल ले जाने में बड़ी मुश्किल हो जाती है। इस बारे में सरकार को कुछ सोचना चाहिए।

जहाँ तक वहाँ पर हैल्थ के इन्तजाम का ताल्लुक है, वहाँ सिर्फ एक ही हास्पिटल है। पेशेन्ट यहाँ जाने में डरते हैं, क्योंकि वह कहते हैं उसमें जाने से ज्यादा से ज्यादा मरीज़ मर जाते हैं। उस हास्पिटल में ट्रीटमेंट वगैरह का इन्तजाम बिल्कुल ठीक नहीं है। हावड़ा टाउन की आबादी आठ लाख से ज्यादा है और वहाँ कई एक बस्तियों में ज्यादा से ज्यादा शरीर आदमी रहते हैं। जब वहाँ चेचक या कालेरा वगैरह कोई बीमारी होती है, तो सैकड़ों की तादाद में आदमी मर जाते हैं और उन के इलाज का कोई इन्तजाम नहीं होता है।

वहाँ पर पानी का भी कोई इन्तजाम नहीं है। वहाँ बीस बीस मील दूर एक वाटर वर्क्स है। वहाँ से जो पानी आता है, वह बिल्कुल काफ़ी नहीं है। वहाँ ट्यूबवैल भी नहीं हैं। भोर तीन बजे से ले कर रात के एक दो बजे तक पानी की कल पर क्यू लगी रहती है। पानी का इन्तजाम न होने से लोगों को बहुत तकलीफ़ होती है।

इस जगह के यूथ ने—नौजवानों ने—खेल-कूद में बहुत नाम किया है। ऑलिम्पिक में हमारे टाउन के नौजवानों ने हिस्सा लिया

है। मगर वहाँ पर खेल-कूद के लिए एक भी मैदान नहीं है, एक भी अच्छा क्लब नहीं है, जिस को सरकार की तरफ से मदद दी जाती हो, स्टेडियम की तो बहुत दूर की बात है। शाम के वक्त खुली हवा में जाने के लिए बच्चों के लिए कोई पार्क हावड़ा टाउन में नहीं है।

इस टाउन की इतनी अहमियत है, लेकिन सरकार की तरफ से उधर ध्यान नहीं दिया जाता है। उसको ज्यादा ध्यान देना चाहिए। इंडस्ट्रियल हाउसिंग स्कीम में दो तीन हल्कों में दो चार बिल्डिंग बनाई गई हैं, लेकिन उन में मज़दूरों को रहने का मौका नहीं मिलता है, क्योंकि २०—२५ रुपया दे कर वे वहाँ नहीं रह सकते हैं। हाउसिंग स्कीम में जो काम हुआ भी है, वह ओशन में ड्राप भी नहीं है। उस जगह की यह हालत है।

इस के साथ साथ स्माल स्केल इंडस्ट्रीज़ में, जिस का जिक्र मैं ने पहले किया है, वहाँ पर रेलवे, पोस्ट्स एंड टेलीग्राफ़्स और गवर्नमेंट के और डिपार्टमेंट्स की बहुत अच्छी अच्छी चीज़ें तैयार होती हैं। वहाँ पर नये नये इन्वेंशन होते हैं। वहाँ के कारीगर और मकैनिक बहुत अच्छा काम करने वाले हैं, लेकिन छोटी इंडस्ट्रीज़ की मदद करने के लिए सरकार आगे नहीं आती है। रुपया पैसा दे कर या रा मैटीरियल वगैरह दे कर उस की मदद करने का कोई प्लान्ड प्रोग्राम सरकार की तरफ से नहीं है। साउथ ईस्ट एशिया का स्माल स्केल इंडस्ट्रीज़ का बिगैस्ट सेन्टर होते हुए भी सरकार की तरफ से वहाँ की इंडस्ट्रीज़ की तरफ बहुत नेग्लिजेंस है। हमारा डिस्ट्रिक्ट हिन्दुस्तान में सब से छोटा डिस्ट्रिक्ट है। इस की आबादी सोलह या साढ़े सोलह लाख है। इस को बहुत अच्छी तरह आर्गेनाइज किया जा सकता था। हमारे यहाँ गांवों और टाउन में अच्छी कम्यूनिकेशन नहीं है, कोई बड़ा रास्ता नहीं है। एक ही बड़ा अच्छा रास्ता है, लेकिन गांवों और टाउन में अच्छी

## [श्री मोहम्मद इलियास]

कम्प्यूनिवेशन नहीं है। मैं रेलवे मिनिस्ट्री का ध्यान इस तरफ़ दिलाना चाहता हूँ कि वहाँ एक रेलवे है, लाइट रेलवे, या कि साठ माइल्स है। उस को नेशनलाइज़ करवाने के लिए हम ने बहुत कोशिश की है, बहुत दरखास्तें भेजी हैं, डिस्ट्रिक्ट में तमाम लोगों ने मीटिंग्स वगैरह कर के रेज़ोल्यूशन भेजे हैं, लेकिन उम का नेशनलाइज़ेशन नहीं हुआ। अगर उस का नेशनलाइज़ेशन हो जाता, अगर उस को अपनाया जाता, तो हम कह सकते हैं कि डीज़लाइज़ कर के, या उस की इलेक्ट्रिफिकेशन कर के हम लोग हावड़ा डिस्ट्रिक्ट के ज्यादातर गांवों और टाउन को यातायात की सुविधा दे सकते थे।

दामोदर वैली प्राजेक्ट के पूरा होने के बाद हम यह देखते हैं कि दामोदर का पानी रोकने से लोअर दामोदर बिल्कुल ड्राई हो गया है। नतीजा यह है कि गर्मी के दिनों में बिल्कुल पानी नहीं मिलता है खेती करने के लिए यह भी देखा जाता है कि बारिश के दिनों में, जब पानी की ज़रूरत नहीं होती है, पानी ओवर-फ्लो हो जाता है और तमाम फ़सल वगैरह बरबाद हो जाती है।

हावड़ा डिस्ट्रिक्ट के वीवर्ज और टेलर्ज, जिन की तादाद कम से कम दो लाख होगी, बहुत अच्छे हैं और तमाम साउथ ईस्ट एशिया, इंडोनेशिया, मिडल ईस्ट में यहाँ से गारमेंट्स तैयार कर के भेजे जाते हैं। फ़ारेन एक्सचेंज को लाने वाली यह एक भारी इंडस्ट्री है, लेकिन आज उस तमाम मार्केट का लास हो गया है, जिस का नतीजा यह है कि ये टेलर्ज आज भूखे मर रहे हैं और साथ ही फ़ारेन एक्सचेंज की आमदनी बहुत घट गई है।

इसी के साथ साथ मैं कलकत्ता टाउन का भी सवाल यहाँ पर रखना चाहता हूँ और बताना चाहता हूँ कि सिमिलर प्राबलम कलकत्ता टाउन का भी है। पहले उस की आबादी तीस लाख थी और अब वहाँ सत्तर लाख आबादी—पापुलेशन—हो गई है, जिस

का नतीजा यह है कि हर वक्त कलकत्ता में ट्रेफ़िक जैम होता है, एक न एक रास्ते में ट्रेफ़िक जैम होता है। ट्रेफ़िक के जाने के लिए वहाँ रास्ता नहीं है। जो रास्ते हैं, वे पापुलेशन ज्यादा होने की वजह से इतना ट्रेफ़िक नहीं ले जा सकते हैं। अगर आप वहाँ पर जायें, तो आप देखेंगे कि दिन हो या रात, हर वक्त बसों और ट्राम्स में ओवर-क्राउडिंग रहता है।

**अध्यक्ष महोदय :** यह तो स्टेट सबजेक्ट है।

**श्री मोहम्मद इलियास :** कई प्लान बनाये गये, बहुत सी कमेटीया बँठी है कि सर्कुलर रेलवे लाइन बनाई जाये और उस को ग्रैंड-ब्राउंड किया जाये, लेकिन उम का कोई इन्तज़ाम नहीं हुआ है। वहाँ की वाटर प्राबलम को साल्व करने के लिए मैट्रोपॉलिटन कांम की बात थी, लेकिन वह नहीं हुआ। अभी हमारे मित्र, श्री सामन्त, ने बताया कि फ़राखा बैराज न होने की वजह से हुगली रिवर में सिल्टिंग हो रहा है, जिस का नतीजा यह होगा कि तीन, चार, पांच साल के अन्दर अन्दर आप देखेंगे कि पांच हजार टन का भी जहाज हुगली रिवर में नहीं आ सकेगा और बौक और पोर्ट बिल्कुल खत्म हो जायेंगे। वह हिन्दुस्तान का सब से बड़ा पोर्ट है और अस्सी परसेंट कारगो को हैंडल करता है। अगर वह खत्म हो जायेगा, तो तमाम हिन्दुस्तान को बहुत भारी नुक्सान पहुँचेगा। इसलिए मैं यहाँ पर अनुरोध करना चाहता हूँ कि कलकत्ता और हावड़ा इन दोनों टाए टाउन्स की हमारे देश की इंडस्ट्रियलाइज़ेशन के लिए बहुत ज्यादा अहमियत है, इसलिए मैं चाहता हूँ कि इन दोनों टाउन्स की रक्षा करने के लिए, इनको तबाह होने से बचाने के लिए, इनको बरबाद होने से बचाने के लिए, एक कमेटी मुकर्रर की जाये जोकि उपाय सुझाये कि इन को तबाह होने से कैसे बचाया जा सकता है। अगर कोई यह कहता है कि वहाँ पर जो इंडस्ट्रीज हैं उनको डिसेंट्रलाइज़ करके यह समस्या हल

की जा सकती है तो यह ठीक नहीं है। डिसेंट्र-लाइजेशन से यह समस्या हल हो नहीं सकती है वहां पर जो कोयले की खानें हैं, चाय बागान हैं, ज्यट इंडस्ट्री है इन सब को आप वहां से हटा नहीं सकते हैं। इनके पीछे हिस्ट्री है। इनका बहुत अच्छे ढंग से डिवेलपमेंट हुआ है। तो जब तक पोर्ट और टाउन ठीक नहीं होगा, ये तमाम चीजें आगे चल कर बरबाद हो जायेंगी। इसलिए मैं अनुरोध करना चाहता हूँ कि फौरन ही आप एक कमेटी बिठायें और वह कमेटी इन दोनों टाउंस की रक्षा करने के उपाय सुझाये, इनको इम्प्रूव करने के उपाय सुझाये और उन सुझावों पर आप अमल करें।

अब मैं माइनोरिटी कम्युनिटी के बारे में कुछ कहना चाहता हूँ। यह बहुत जरूरी चीज है। यहां पर इन के बारे में कोई भी चर्चा नहीं करता है और उनके बारे में किसी ने कोई बात कही है। एंग्लो-इंडियन और मुस्लिम, ये दो माइनोरिटी कम्युनिटीज हैं। इन दोनों कम्युनिटीज को मैजोरिटी कम्युनिटी के साथ एक ही नज़र से देखा जाना चाहिए और इनके खिलाफ कोई भेदभाव नहीं बरता जाना चाहिए। उनके जो प्राब्लैम्स हैं, वे मैं आप के सामने रखना चाहता हूँ। कुछ रोज पहले बंगाल असैम्बली में एक क्वेश्चन हुआ था जोकि विरोधी दल के नेता की तरफ से किया गया था और यह सवाल डा० बी० सी० राय से पूछा गया था। यह सवाल उस पत्र के बारे में था जो पत्र कि प्रधान मंत्री श्री नेहरू ने स्टेट्स को लिखा है और माइनोरिटी कम्युनिटी को नौकरियां देने के बारे में है। डा० राय इसका कोई जवाब नहीं दे सके थे। बाकी दूसरी स्टेट्स ने जवाब दिया है या नहीं, इसका मुझे कुछ इल्म नहीं है। आज हम देखते हैं कि माइनोरिटी कम्युनिटी के लोगों को नौकरियां नहीं मिलती हैं। मुस्लिम और एंग्लो इंडियन जोकि इंजीनियर हैं, यूनिवर्सिटी से पढ़ कर बाहर निकले हैं

या जिन के पास दूसरी क्वालिफिकेशंस हैं, उनको सरकारी नौकरियां नहीं दी जाती हैं। अगर कोई कुछ काम धंधा करना चाहता है और उसके लिए लाइसेंस की मांग करता है, तो उसको लाइसेंस नहीं दिया जाता है। इनकी सरकार की तरफ से कोई मदद नहीं की जाती है। यह बहुत अहम सवाल है जिस की तरफ आपकी तवज्जह जानी चाहिए। मुसलमानों को इस आधार पर नौकरी नहीं दी जाती है कि उनमें इंटेलिजेंस नहीं है। मुझे पता नहीं कहां तक यह बात सच है। लेकिन मैं इतना जरूर जानता हूँ कि दूसरी कंट्रीज में, मुसलमान राज्य का कारोबार चला रहे हैं, शासन कर रहे हैं, रिसपांसिबल पोस्ट्स में लगे हुए हैं। इस बास्ते यह आप नहीं कह सकते हैं कि उन में इंटेलिजेंस नहीं है। आज वे बेयरर्स, दफ्तरी इत्यादि के कामों को करने की इंटेलिजेंस तो रखते हैं, लेकिन दूसरी बड़ी जगहों पर, रिसपांसिबल पोस्ट्स पर काम करने की इंटेलिजेंस नहीं रखते हैं, क्या यह आपका मतलब है? मैंने कलकत्ता के मुस्लिम और एंग्लो-इंडियन कम्युनिटी के लोगों को देखा है, वे अच्छे टेक्नीशियन हैं, अच्छा काम जानते हैं, लेकिन वे बेकार फिर रहे हैं उनको नौकरी नहीं मिलती है। जब कभी कोई किसी जगह के लिए दरखास्त देता है, तो उसकी दरखास्त को वेस्ट पेपर बास्किट में फेंक दिया जाता है। ये लोग भी हिन्दुस्तान के बाशिन्दे हैं, हिन्दुस्तान को वे अपनी मदरलैंड समझते हैं। माइनोरिटी कम्युनिटीज के साथ इस तरह का व्यवहार करना खतरनाक होगा।

मैं आपको एक दूसरी बात बतलाना चाहता हूँ। कुछ रोज पहले हम वोट लेने के लिए इनके पास गये थे उस बाई-इलैक्शन के सम्बन्ध में जो वहां हो रहा था। हमें मुस्लिम और एंग्लो-इंडियन कम्युनिटी के लोगों ने कहा कि उनके पास कांग्रेस वाले गये थे और उन्होंने उनसे कहा था कि अगर कांग्रेस को वोट नहीं दोगे तो बोर्डर पार कर दिक जाओगे।



[श्री मोहम्मद इलियास]

इस तरह का व्यवहार इन लोगों के साथ हो रहा है . . . . .

श्री च० इ० पांडे (नैनीताल) : तब तो वे सब कम्युनिस्ट हो जायेंगे ।

श्री मोहम्मद इलियास : लेकिन जो मुसलिम लीग पंडा थे, जो लीडर थे, वे आपकी मदद करते हैं और उनकी आप मदद करते हैं । जो बड़े बड़े मुस्लिम लीग लीडर थे और पाकिस्तान चले गये थे, वे वहां भी अपना बिज़िनेस चला रहे हैं, यहां भी चला रहे हैं, उनको वहां भी मदद मिल रही है, यहां भी मदद मिल रही है । उनका दोनों जगह पर कारोबार चल रहा है । लेकिन जो दूसरे आम लोग हैं, उनको नौकरी नहीं मिलती है और बेकार फिर रहे हैं । मैं चाहता हूं कि उनके साथ कोई किसी तरह का भी भेदभाव न बरता जाये और माइनोरिटी कम्युनिटीज समझ कर उनको नौकरियां दी जायें ।

जो मुसलमान इधर रह गये हैं, उन में से जिन के पास रहने के लिए कोई जगह नहीं है, उसके बारे में मैं आखिरी बात कह कर समाप्त कर दूंगा । उनके मकान पर दूसरे लोगों ने कब्जा कर लिया है और वे बिना मकानों के हैं । वे पाकिस्तान गये नहीं हैं, हमेशा से यहीं पर हैं । मैं चाहता हूं कि सरकार उनको उनके मकान वापिस दिलाये और अगर वह ऐसा नहीं कर सकती है तो उनको दूसरे मकान दिये जायें । उनकी तरफ़ आपका खास तौर से ध्यान जाना चाहिए ।

Shri N. R. Muniswamy rose—

Mr. Speaker: Is it necessary to continue?

Shri C. D. Pande: I can forego my rights.

Shri N. R. Muniswamy (Vellore): Sir, I may be permitted to make a few observations regarding the recent merger of the customs with the excise department. We got crores by way of

these duties and so we should see that we keep the collecting agencies contented. At the time of their merger, it was stated that each wing will have to fill its vacancies. But I was told that after the merger recently, much against the desire of the collectors of the Central excise some officers were promoted to Class I posts from customs wing. So, I beg to submit that while making promotions due care should be taken to see that there is no discontentment between the two wings. Recently, I am told that some four or five vacancies have arisen in excise wing and only the officers in the customs wing have been promoted whereas people in the excise wing who have put in a good record of service have not been given a chance. The explanation is alleged to be that promotions are eligible only from certain categories. There are three grades in the collectors—Class I—grades I, II and III. Again in the customs wing certain emoluments are granted. They are, for instance, started and put in the scale of Rs. 1300—1600, 800—2000 and so on. When vacancies arise we will have to see in which grades those vacancies have arisen. I find that irrespective of the grades to which people belong emoluments are given on the customs side.

I only want to request the hon. Minister to look into this matter. Instead of giving promotions or increments in an *ad hoc* manner, I would suggest that an expert committee may be appointed to go into this question and see that people are contented. There should not be any sort of discontentment among these people, because they have to deal with the job of collecting revenue. If they themselves are not given their due emoluments whereas such emoluments are given to other categories of staff, it will create some discontentment. I, therefore, request the hon. Minister to appoint an expert committee consisting of members belonging to other departments—not customs and excise departments—to go carefully into this

question of merger with emoluments, promotions and distribution of vacancies as and when they arise when these two wings begin to function.

**Shri Anthony Pillai:** I would like to draw your attention, Sir, to the extreme delay that the Finance Ministry is guilty of in the matter of pension. I would like to quote one single episode to show that all this apparent over-flowing of the milk of human kindness which the hon. Minister has described here is not true. As far back as 1946 an order was passed granting pension rights to certain medical employees employed in the Medical Stores Depot at Madras. The Accounts Department raised a query in 1946, and that query was not answered for ten to eleven years. When it was brought to my notice in the year 1957, I wrote a letter to the Department of Health—the Ministry of Health—quoting the fundamental rules and pointing out that the same categories in other centres like Bombay and Calcutta had been granted the pension. The Ministry of Health was pleased to agree with me that the fundamental rules covered this particular case, but on the insistence of the Finance Ministry they added a rider: "Yes, the pension is due, but it will be paid if the men are still alive". I replied back: "I have heard that justice delayed is justice denied, but this is the first time I hear justice should be denied merely because it has been delayed". Again the Ministry of Health was kind enough to agree with me and it has been lying with the Ministry of Finance for the last one year.

**Shri Morarji Desai:** I do not think it has been lying with us for one year. It cannot lie with my Ministry for one year. I should like to be told about that.

**Shri Anthony Pillai:** Sir, the correspondence with me shows that it has been lying with the Ministry for the last one year and for 14 years pensions due to the people have not been paid. It is not an isolated instance. I have seen from letters appearing in newspapers time and again

how pensions are delayed, how pensioners have to go from office to office to collect pensions. Why? Only two months ago I wrote to the Ministry of Transport with regard to pension papers in a case which was delayed for more than one year. Though the concerned departmental head has said that the amount is due and it would be paid, one year has passed and it has not been paid. It is not a matter in which the liability of the amount due is denied.

**Mr. Speaker:** The hon. Member will bring such things to the notice of the hon. Minister.

**Shri Anthony Pillai:** Time and again I have brought it to his notice.

**Shri Morarji Desai:** I have not received anything from him.

**Shri Anthony Pillai:** Sir, I have with me my correspondence. I do not go running round from Minister to Minister. I would prefer to put it down in writing.

**Shri Morarji Desai:** That is what I ask for. I do not want him to see me.

**Shri T. B. Vittal Rao (Khamam):** He has written to the Minister.

18 hrs.

**Shri Morarji Desai:** He has not written to me; as far as I remember, I have never received a letter from him.

**Shri Anthony Pillai:** I would like him to look into this question. It is not as if there is only one complaint. There are so many such complaints.

**Shri Morarji Desai:** Write to me and I shall look into it; not otherwise.

**Shri Anthony Pillai:** I have seen so many letters written to the newspapers by pensioners pointing out their grievances in the matter of delay in the payment of pensions. Therefore, I would urge upon the

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Minister to look into this with a little extra care and expedite the grant of pensions wherever they are due.

Then I would like to state that the Minister has been very evasive in his reply today. There has been a categorical statement, which I believe is a statement on behalf of the Government, that wages are not the cause of the price rise. But again we got an evasive reply, and a very double-edged reply, from the Finance Minister as though it is possible that the wages might be responsible for price-rise. Now, it is not as though the workers are asking for a wage-rise merely for the sake of asking for some increase. It is precisely and largely due to the fact that the prices have risen, and the policy that the Ministry or the Government has been following has not been able to arrest the rise in prices. Of course, it is platitudinously stated from time to time that Government are not interested in arresting or holding down the price-line. No one denies their sincerity, but we only doubt their ability or their capacity to hold it in view of the past experience.

Again, they said categorically that "we cannot expect orderly development without being able to hold the price-line." Having said that, have they at any time outlined what precisely they propose to do to hold it? At one time it was said that the panacea would be at least State trading in foodgrains, because, as they said, the cost of living has gone up and, as the Minister himself said, mainly because of the rise in the price of foodgrains despite abundant crop. But, Sir, from the statement made at Nagpur to the present pragmatic philosophies of the Minister of Food, we see that there is no going down of prices except some vain, problematic, strategic holding of the price-line by stacking and amassing foodgrains at points and that too depending on some aid from outside which may or may not be forthcoming. But labour has come with the decision that the

Government are incapable of holding the price-line.

If the price-line cannot be held, the question then is whether labour should not get its due share at least on its own standard of living. We are told over and over again that if labour should increase its productivity if labour should prove efficient, of course, their due share will be given. But let me point out that from advertisements issued by the railway the position comes to this. Let us take the Integral Coach Factory. The Integral Coach Factory proudly announces the fact that as far as man-hours are concerned, for the production of a coach, the man hours is the same as the number of man-hours required for the production of a coach in Switzerland. Is it not true, that the real wages of a skilled worker in the Integral Coach Factory has gone down during the last five years? The Hindustan Machine Tools has given a full-page advertisement saying that productivity has increased but have wages gone up in proportion to it?

Then, I find from the Jha Committee's report that the overage rate of efficiency of labour at TELCO is more than 70 per cent. of its German compeer. But have the real wages gone up at TELCO? Therefore, when we hear these plantitudinous statements, if labour should increase its productivity, if its efficiency should go up, then surely labour should get its reward. The millowners themselves have said in giving evidence before the Textile Wage Board that undoubtedly the efficiency of the textile workers has gone up by 25 to 30 per cent. But then, have the real wages increased by five per cent? No, Sir. The real wages have gone down by 15 per cent., while productivity has gone up by 30 per cent., during the last four or five years. Therefore, if they expect that labour will be contented under these circumstances, then they will be sadly disillusioned. Therefore, if the price line has to be kept

the labour has to be given a fair deal. Now we have on the one side a statement to the effect that Government intends to implement the Wage Board's decision, but, at the same time, we find other Ministers not so very careful about treating them as a governmental policy decision.

Then I would like to point out one other aspect of the question of holding the price line. With regard to road transport one would have thought that the greater the efficiency of transport, it would at least have a bearing on bringing down the prices. Everyone admits that transport is the Achilles heel of planning in India. Though there are these admissions that transport is the Achilles heel of planning, nothing has been done about transport. Let us take, for instance....

**Mr. Speaker:** The hon. Member should not forget that this is the third reading. What the hon. Member is now saying can be said only during the second reading, when we take the Bill for clause by clause consideration. Now he can only say whether the Bill should be accepted or thrown out.

**Shri Anthony:** I am now coming to the question of specific taxation measures.

**Mr. Speaker:** Not now. I have already given him sufficient time. I will give him two more minutes.

**Shri Anthony Pillai:** Coming to the specific taxation measures, there is an element of discrimination with respect to the taxation provision on motor vehicles. With regard to motor vehicles with less than 15 h.p. the excise duty is Rs. 1,000 but for motor vehicles with more than 15 h.p. it steeply rises to Rs. 3,000. In addition to that, there is an *ad valorem* tax of 15 per cent. Then, with regard to vehicles costing anything less than Rs. 20,000 it comes to Rs. 2,500. If the motor vehicle costs more than Rs. 20,000 it rises to an *ad valorem* charge of 12½ per cent.

Now, motor vehicle manufacture is rather unknown in this country. There are only two manufacturers who are doing this job and it is unfortunate that these two manufacturers are from South India. There is an element of, shall we say, geographical discrimination with regard to these taxes. It is not as if these taxes are being levied on these motor-manufacturing concerns, merely because there is an extra demand a higher demand for the products of the manufactures in the South. That is not true. In the Jha Committee's report, it has stated clearly and categorically that, as far as the medium trucks are concerned, the demand has increased, and has increased considerably, but as far as heavy trucks are concerned, the demand has not increased and that, therefore, there is no necessity for any control of their prices. Having said that and having accepted this report of the Road Transport Re-organisation Committee, they assume that there is some surplus capacity which can be tapped from the self-same manufacturers of heavy trucks. Obviously, that is going against the very finding of the Jha Committee's Report and this is going to be discriminatory tax levied on the motor manufacturers in South India.

Let us take again another instance with regard to passenger car. After a great deal of trouble, in the South the motor industry managed to manufacture a small passenger car, but then it found it difficult to stand in competition with other passenger cars in North India. Therefore, it switched on to the production of a larger model. Now a tax is being imposed on those manufacturers who are producing bigger models. Let us take, for instance, another instance. When Studebaker fell, they started going in for Bedfords. Now we are giving artificial stimulus to the manufacturers of Bedford by putting them at a disadvantage!

Then again, the whole policy with regard to the motor transport seems to be in a very fluid stage. On the

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one hand, we have the Ministry of Transport who seem to give the impression that the Road Transport Re-organisation Committee's recommendations are generally being accepted. But, then, what is being done on the financial side goes counter to the impression that is being created. The recommendations of the Committee were generally found acceptable to all quarters of the South, including the Treasury Benches. Then I would say that the imposition of tax on diesel oil is utterly illogical.

**Mr. Speaker:** All that has been said.

**Shri Anthony Pillai:** He made a statement yesterday to the effect that some of these matters are still under consideration. That is why I am impelled to...

**Mr. Speaker:** Now today the consideration is over with this.

**Shri Anthony Pillai:** Therefore if motor transport is to play a larger part in holding the price line, then I would like him to consider whether other steps should not be taken to improve road transport.

**श्री राम कृष्ण गुप्त (महेन्द्रगढ़):**  
अध्यक्ष महोदय, जो बिल पास हुआ रहा है, उसका स्वागत करता हूँ। इस सम्बन्ध में एक दो तजवीजें भी मैं पेश करना चाहता हूँ और आशा करता हूँ कि उन पर गौर किया जाएगा।

मैं चाहता हूँ कि जो पब्लिक अंडरटैकिंग हैं, उनका इतिजाम सुधारने की कोशिश की जानी चाहिये और इसको अगर करने में हम कामयाब हो जाते हैं तो हमारी आमदनी काफी बढ़ सकती है। साथ ही साथ हमारी जो मुश्किलत हैं वे काफी हद तक हल हो सकती हैं। इसके बारे में मैं एक दो तजवीजें हाउस के सामने रखना चाहता हूँ।

पहली मेरी तजवीज यह है कि इस बात का निर्णय किया जाए कि पार्लियामेंट

का उनके ऊपर कितना अधिकार हो और इसके लिए एक स्टैंडिंग पार्लियामेंटरी कमेटी मकरंर की जानी चाहिये। इस किस्म की तजवीज पहले भी हाउस के सामने आई थीं और उन दिनों जो फाइनेंस मिनिस्टर थे वह तकरीबन इस तजवीज के हक में थे। मुझे पूरा विश्वास है कि वित्त मंत्री महोदय इस बात को स्वीकर करेंगे। एस्टीमेट्स कमेटी ने भी अपनी ८०वीं रिपोर्ट में इस बात पर जोर दिया है और कहा है :-

"We recommend that an expert committee be appointed to examine the whole question and to advise the Government on the principles which should determine the appropriate form of organisation for the various types of undertakings."

इसके बारे में मैं यह भी कह देना चाहता हूँ कि दूसरे देशों में भी इस किस्म की कमेटियां हैं, फ्रांस, इंग्लैंड आदि देशों में हैं। आप चाहे कम्युनिस्ट कंट्रीज को देख लें चाहे कैपिटलिस्ट कंट्रीज को देख लें, इस मामले में सब एक हैं और सद जगह इस किस्म की कमेटियां मुकरंर की गई हैं जो कि उनके इतिजाम को कंट्रोल करती हैं। साथ ही साथ मैं यह भी कहना चाहता हूँ कि उनको वाइड पावर्स हासिल हैं।

दूसरी तजवीज मैं यह पेश करना चाहता हूँ कि उन अंडरटैकिंग के इतिजाम के लिए जो बॉर्ड आफ डायरेक्टर्स मुकरंर किया जाता है, पैम्बर्य मुकरंर किए जाने हैं, उनके सिन्डिकेशन में भी हमें काफी एतियात रखनी होगी। आज हम देखते हैं कि एतियात ज्यादा नहीं रखी जाती है और इसका नतीजा यह होता है कि उनका इतिजाम ठीक नहीं होता है। मैं केवल इस सम्बन्ध में इना और कह देना चाहता हूँ कि इस बात का सब से ज्यादा ख्याल रखा जाए कि जिस किसी को भी चाहे वह कितना ही किसी मामले में एक्सपर्ट

क्यों न हो, अगर उस बिजिनेस में उसका डायरेक्टली या इंडायरेक्टली कोई इंटिरेस्ट हो, तो उसको बोर्ड में, या उसका मेंबर नियुक्त न किया जाए ।

हम देखते हैं कि इन पब्लिक अंडरटेकिंग की तादाद बढ़ती जा रही है । यह बड़ा अहम सवाल है कि उनके इतिजाम को कैसे दुहस्त किया जाए और एक्सपर्ट या अच्छे आदमी उसको दुहस्त करने के लिए कैसे मुकर्रर किए जायें । मेरी तजवीज यह है कि उनके लिए किसी किस्म की ट्रेनिंग का इतिजाम किया जाए ताकि यह काम और भी अच्छी तरह से हो सके और इससे ज्यादा से ज्यादा फायदा हो सके । ये सब बातें मैं ने उनके इतिजाम को सुधारने की गर्ज से कही हैं और साथ ही साथ इन गर्ज से कही हैं कि उनकी आमदनी बढ़े ।

इस बारे में मैं एक यह तजवीज भी रखना चाहता हूँ कि जो वर्कर्स हैं, जो एकचुअली वहां पर काम करते हैं, उनको ज्यादा से ज्यादा कान्फिडेंस में लिया जाना चाहिये । हमारी यह पालिसी तो है ही और बहुत पहलू से यह चली आ रही है कि जो पब्लिक सेक्टर है, उसको तो कम से कम अपने को माडल एम्प्लायर साबित करना चाहिये । लेकिन इस दिशा में अभी तक हमें कोई खास कामयाबी नहीं मिली है । मुझे पूरा विश्वास है कि अगर वर्कर्स को पूरे तरीके से कान्फिडेंस में लिया गया तो उनके इतिजाम को और भी सुधारा जा सकता है ।

मैं यह भी कहना चाहता हूँ कि हमारी कोशिश यह होनी चाहिये कि जो भी पालिसी हम तय करें, जो भी डिस्मिशन हम लें उसको पूरे तरीके से इम्प्लेमेंट करें । आज हम देखते हैं कि बहुत चीजें तय तो हो जाती हैं लेकिन उनको जब इम्प्लेमेंट करने का सवाल आता है तो काफी दिक्कत होती है और उस चीज पर पूरा अमल नहीं होता है । मैं एक मिसाल आपके सामने रखना चाहता हूँ । पिछले

दिनों पंजाब के सियासी मसले को हल करने की कोशिश की गई थी और इसके लिए एक रिजनल फार्मुला तैयार किया गया था । इस रिजनल फार्मुले का यही मकसद था कि पंजाब के अन्दर जो दो हिस्से हैं, एक हिन्दी स्पीकिंग एरिया और दूसरा पंजाबी स्पीकिंग एरिया, उनका इतिजाम ठीक हो । इस काम को करने के लिए दो कार्जिसलज बनाई गई थी और उन कार्जिसलस को सब से ज्यादा डिब्ले-मेंट के कामों के अह्तयार दिये गये थे । तो जहां तक हिन्दी स्पीकिंग एरिया के लोगों का ताल्लुक है, उन्होंने इस बात को स्वीकार किया और उन्होंने फैसला किया कि चूँकि देश के सामने एकजहनी का सवाल है, यूनिटी का सवाल है, इस वास्ते वे तमाम चीजों को छोड़ देते हैं और उन्होंने उनको छोड़ दिया । जब उन्होंने देखा कि उनके हिस्से के डिब्ले-मेंट के लिये, उनके हिस्से की तरक्की के लिए पूरी कोशिश की जाएगी, तो उन्होंने अपनी तमाम मांगों को छोड़ दिया । इस फार्मुले को लागू हुए कई साल हो चुके हैं लेकिन हम देखते हैं और आपने भी अखबारों में पढ़ा होगा कि यह मुर्दा हो चुका है । मैंने यह बात इसलिए कही है कि अगर इस तरफ पूरा ध्यान नहीं दिया जाता है और उस इलाके की तरक्की करने की पूरी कोशिश नहीं की गई तो बहुत से लोग जो आज वहां ये नारे लगाते हैं कि पंजाब के दो हिस्से हो जायें, वे इस मांग को मनवाने में कामयाब हो जायेंगे । दूर जाने की जरूरत नहीं, कल या परसों यह मामला हाउस में आया हुआ था और बम्बई का मसला आप के सामने मौजूद है । इस लिये मैं पूरा जोर दूंगा और इस बात की अपील करूंगा कि हमारी यह पूरी कोशिश होनी चाहिये कि उस फार्मुले की जो शर्तें हैं उन को इम्प्लेमेंट किया जाये ताकि पंजाब का जो सियासी मसला है वह हल हो सके और पंजाब मजीद बटवारे से बच सके ।

मैं इस सिलसिले में इतना ही कहना चाहता हूँ ।

**Dr. Melkote (Raichur):** Sir, let me add my tribute to the Prime Minister for expressing the sentiments of the people bodily before the Chinese Prime Minister.

Then I wish to say that the price structure of the different commodities should be stabilised somewhere. We have reason for saying that. But particularly the recent statement made by Shri Kasturbhai Lalbhai with regard to the decisions of the Wage Board has come in for a lot of criticism from the working classes. And in this connection I welcome most heartily the statement made by the Labour Minister this morning in the House. It is a welcome feature, and it almost means that the Government has accepted the challenge that Shri Kasturbhai Lalbhai threw on the decisions of the Wage Board. Government has done well in coming forward with that statement this morning.

If there is any place where there has been considerable profit made, it is in the textile industry, where due to rationalisation and various other factors the profit has gone up considerably, but the wage increase to the working class has been the minimum. If anything, the wage structure has gone down, instead of going up. I do not want to deal with this any further than to say that the statement made by the Labour Minister is most welcome.

Then I would like to deal with one important aspect which pertains to the Finance Ministry itself. That is with regard to the tax collection. If one goes through the different data supplied by the Finance Department with regard to tax collection, it could be seen that the disposal of cases in the Income-tax series in 1957 was somewhere about 4,40,000 or so, and in 1958 it was about 4,60,000, and in 1959 it was somewhere about 4,70,000 or so—which means that during these three years the number of assesseees has not increased very much. That is one of the reasons why we have been feeling in this

country that Income-tax evasion has been increasing, whereas Income-tax collection has not been sufficiently geared up.

It was said a few years back that they wanted 250 officers to be selected by the Public Service Commission to gear up the collection. But due to some difficulty—possibly the Public Service Commission was overburdened with work—this selection does not seem to have taken place, and the number of cases to be assessed has been increasing. In fact, Shri Tyagi himself, in 1953-54, for a period of three years stopped the assessment of new cases. That is one of the reasons why in the matter of collecting the taxes new assesseees have not been taken into consideration. And that seems to persist even today. Therefore, this cycle of accumulation of arrears and assessments seems to be increasing, and the department seems to be even today where it was in 1953. That is a very important aspect of the question which I feel the Finance Minister has got to tackle. There is a general feeling that the amount of tax evaded—either not shown, or underestimated, or not paid by fraudulent means as in the case of sales tax—has been increasing to such an extent, that the amount of tax uncollected is estimated by some competent persons as between Rs. 400 and Rs. 500 crores annually. The Finance Minister himself stated last year that it might be anything like Rs. 250 to Rs. 280 crores. Possibly that may be the assessment of the department. Even so, it is a considerable amount, and I personally feel that the maximum attention should be paid to the collection of this tax which may help in bringing down the burden of taxation to the benefit of the taxpayer.

**Shri T. B. Vittal Rao:** I only want a clarification. Yesterday, while replying to the debate on the Demands of the Finance Ministry, the

Finance Minister gave the figure of Rs. 1,400 crores as the investment in the road transport industry, while explaining the incidence of taxation on diesel oil. But the figures that we have as also the figures given by the automobile associations show that it is only Rs. 400 crores. I would like to know his source of information.

**Shri Morarji Desai:** I had only quoted one of the members of the industry who had given the figure of Rs. 1,400 crores. That is not my figure.

**Shri T. B. Vittal Rao:** That is a wrong figure.

**Shri Morarji Desai:** May be. Then, tell him.

**श्री प्रकाश बौर शास्त्री (गुडगांव) :** मैं माननीय वित्त मंत्री जी से कुछ शब्द सेंट्रल बोर्ड आफ रेवेन्यू के सम्बन्ध में कहना चाहता हूँ। मैं निवेदन यह करना चाहता हूँ कि सेंट्रल बोर्ड आफ रेवेन्यू के जो मेम्बर्स हैं उन का काम एक प्रकार से जनरल पालिसी तय करना है न कि इंडिविजुअल केसेज में दखल देना। परन्तु कुछ देखा इस प्रकार से जा रहा है कि जो रेवेन्यू बोर्ड के मेम्बर हैं वह इंडिविजुअल केसेज में भी दखल देते हैं, पर स्थिति इस प्रकार की हो जाती है कि-वह किमिशनर को संकेत देने हैं और किमिशनर इनकम टैक्स आफिसर्स को संकेत देते हैं। जो इनकम टैक्स आफिसर्स हैं उन का इस तरह से काम करना कठिन हो जाता है। वे स्वतन्त्रता पूर्वक कोई काम नहीं कर पाते हैं। मैं आप को जानकारी के लिये विशेष रूप से इस बात को इस दृष्टि से कहने लगा हूँ कि इस रहस्य के मार्ग का अनुचित लाभ बहुत से व्यक्ति उठा रहे हैं, और न केवल साधारण स्तर के व्यापारी वर्ग के लोग ही उठा रहे हैं बल्कि दूसरे भी उठा रहे हैं। एक तो अभी पीछे घटना घटी है। अगर आप जानकारी प्राप्त करेंगे तो एक उच्चाधिकार प्राप्त मिनिस्टर के प्राइवेट सेक्रेटरी, जो आई० सी० एस० हैं, उन्होंने भी किसी अंश में उस रहस्य के मार्ग का लाभ उठाना

चाहा है। तो मैं चाहता हूँ कि आप इस की जानकारी लें कि उस के मेम्बर्स इंडिविजुअल केसेज में कहां तक दखल देते हैं।

दूसरी सब से बड़ी चीज यह है कि जो इनकम टैक्स आफिसर्स होते हैं उन की जो नियुक्ति होती है उस में आप ने ऐसा रक्खा है कि ८० प्रतिशत डाइरेक्ट अप्वाइंटमेंट हों और २० प्रतिशत वह हों जिन को प्रमोशन दिये जाते हैं। लेकिन स्थिति इस के प्रतिकूल है। स्थिति इस प्रकार की है कि वह ८० प्रतिशत डाइरेक्ट अप्वाइंटमेंट नहीं हो पाते बल्कि प्रमोशन से ही ज्यादातर लोग लिये जाते हैं। कारण यह है कि तहले से परिचय आदि का जो मार्ग होता है उस से लोग लाभ उठाते हैं। मेरा निवेदन यह है कि डाइरेक्ट अप्वाइंटमेंट जिन का होगा वे अधिक निर्भीकता से और स्पष्टता से कार्य कर सकेंगे।

तीसरी बात मैं आप से प्रत्यक्ष कर जांच समिति के सम्बन्ध में निवेदन करना चाहता हूँ। इस समिति ने जो अपनी जांच की थी उस में जिन लोगों के विमति टिप्पण थे उन सब को ही इस में रक्खा जाना चाहिये था। लेकिन प्रत्यक्ष कर जांच समिति की रिपोर्ट पढ़ने से पता चलता है कि श्री जी० पी० कपाडिया द्वारा अपने प्रथम विमति टिप्पण में उल्लिखित विभिन्न उपबन्धों को रिपोर्ट में नहीं छापा गया है। तो मैं यह जानना चाहता हूँ कि जब इन उपबन्धों को इस रिपोर्ट के अन्दर स्थान स्थान पर चर्चा है तो फिर उस विमति टिप्पण को क्यों उस के अन्दर प्रकाशित नहीं किया गया। जो समिति के सभापति थे उन्होंने अपने स्पष्टीकरण में यह कहा था कि इस में से जो अंश निकाले जा चुके हैं उन में ऐसी सूचना थी जो इस आश्वासन पर प्राप्त की गई थी कि उसे गुप्त रक्खा जायेगा, अतः यदि उसे प्रकाशित कर दिया जाये तो वह विश्वासघात होगा। किन्तु समिति के सदस्य के टिप्पण से कुछ अंश निकाल देना एक असाधारण बात है। पता नहीं सरकार ने इस विषय में अपनी ओर से कोई जांच की है या नहीं और इस



## [श्री प्रकाश बीर शास्त्री]

विषय में अपनी सन्तुष्टि कर ली है या नहीं। यदि ऐसा नहीं किया गया है तो लोक सभा को वह टिप्पण उस रूप में नहीं मिलेगा जिस रूप में वह अपेक्षित है। तो मैं समझता हूँ कि जो सदस्य हैं और जिन्होंने विमति टिप्पण दिये हैं उन को इसके अन्दर अवश्य ऐंट्रो होनी चाहिये जिस से सदस्यों को उन की पूरी जानकारी प्राप्त हो सके।

चौथी बात मैं कटपीस के सम्बन्ध में कहना चाहूँगा। मेरे एक मित्र ने अभी आप को थोड़ा सा संकेत किया था कि आप ने सवा दो गज पर छूट दी है। गरीबों के सम्बन्ध में ऐसा था कि अब तक हम लोग उन के मुँह का टुकड़ा छीन रहे थे लेकिन अब आप उन के तन का कपड़ा भी छीन रहे हैं। माननीय मंत्री महोदय को यह पता है कि बहुत से गरीब इस देश में इस प्रकार के हैं कि जो ढाई ढाई गज के टुकड़ों को जोड़ कर किसी प्रकार से धोती बना लेते हैं या कमीज बना लेते हैं। पर सवा दो गज के टुकड़ों से न तो पूरे पांच गज की धोती हो पायेगी और न उस से कमीज पूरी निकलेगी। इस लिये मेरा विनम्र निवेदन है कि अगर सवा दो गज के बजाय बढ़ा कर ढाई या पौने तीन गज कर सकें तो गरीबों को बहुत बड़ी राहत मिल सकेगी।

पांचवी चीज मैं बहुत संक्षेप में कह रहा हूँ जो रबर के कारखाने हैं उन के सम्बन्ध में। यह रबर के कारखाने तीन श्रेणियों में हैं। एक तो वे जो काटेज इंडस्ट्रीज में हैं, दूसरे वे जो स्माल स्केल इंडस्ट्रीज में आते हैं और तीसरे वे जो लार्ज स्केल इंडस्ट्री में आते हैं। बिल को बनाते समय आप ने यह ध्यान रक्खा कि हील और सोल जो बड़े बड़े कारखानों में बनते हैं उन पर टैक्स लगाया जाय। लेकिन छोटे कारखानों का उस में कोई उल्लेख नहीं है। अब आप ने जो नया परिवर्तन किया है उस में काटेज इंडस्ट्री में बने हुए हील और

सोल को तो आप ने बचाया, लेकिन स्माल स्केल इंडस्ट्रीज में बने हुए हील और सोलों को आप ने कोई प्रमोशन नहीं दिया। मेरा अपना विचार इस प्रकार का है कि अगर आप इस सम्बन्ध में भी थोड़ा सा विचार करें तो ज्यादा अच्छा होगा।

छठवीं चीज मैं संक्षेप में यह कहना चाहता हूँ कि हम इस बात पर थोड़ा सा विचार करें, जहाँ हम भारत की आर्थिक दृष्टि से सारी समस्याओं पर विचार कर रहे हैं, कि धीरे धीरे इस प्रकार की स्थिति देश में बनती चली जा रही है कि भारत की अखंडता जिस से क्रमशः छिन्न भिन्न होती चली जा रही है। यदि मैं इसे स्पष्ट भाषा में कहूँ तो यह कह सकता हूँ कि हमारे देश में सरकार की ऐसी प्रवृत्ति बनती चली जा रही है कि जो मार धाड़ और हिंसात्मक प्रवृत्ति में विश्वास करते हैं पहले सरकार उन का विरोध करती है, परन्तु धीरे धीरे देखा यह गया है कि वह बाद में वहाँ पर झुक जाती है और उस चीज को स्वीकार कर लेती है। मुझे वे शब्द कहने में अच्छे प्रतीत नहीं होते, लेकिन पिछले दिनों में एक लेख पढ़ा, और लेख पढ़ा इस आधार पर कि इन्हीं तमाम विचारों को लेकर यह लेख लिखा गया था। उन्होंने जो शीर्षक दिया था शब्द तो वे कडुए से हैं लेकिन भावना उस के पीछे यही है। शीर्षक यह दिया गया था : "सरकार या जूते की यार"। मतलब यह था कि आज इस प्रकार की चीज है कि हम ने कहा था बम्बई के सम्बन्ध में कि हम इस प्रकार का निर्णय करेंगे। लेकिन जब मार धाड़ हुई, खून की कुछ छींटें लगीं तो फिर निर्णय बदल गया। आंध्र के सम्बन्ध में भी इसी प्रकार की स्थिति है। इन घटनाओं को देख कर पंजाब प्रदेश के विधान सभा में एक व्यक्ति ने खड़े होकर यह कहा कि यह सरकार तो जब तक दो चार का खून नहीं ले ले तो छींटें नहीं लगवा लेती तब तक इस प्रकार

अपने निर्णय पर दृढ़ रहती है। तो मैं चाहता हूँ कि इस मार धाड़ की प्रवृत्ति के आगे झुकने का सरकार का जो क्रम है, उसमें थोड़ा परिवर्तन होना चाहिये। बल्कि देशवासी यह अनुभव करें कि जो शांति रीति से चलते हैं उन की समस्याओं का समाधान जल्दी होता है, जो इस तरह के मांगों पर चलते हैं उनकी समस्याओं का समाधान नहीं हो सकता है। चूंकि अब तक यह प्रवृत्ति चली आ रही है, इसलिये मुझे भय है कि यह प्रवृत्ति कहीं और आगे न बढ़ जाय। मैं चाहता हूँ कि देश की अखंडता को सुरक्षित रखने के लिये थोड़ा सा इस क्रम में परिवर्तन किया जाय।

एक बात जो मैं विशेष रूप से आप से कहना चाहता हूँ वह यह है कि जब आप भारत की आर्थिक स्थिति पर गम्भीरता से विचार करने के लिये बैठे हैं और इस वित्त बिल को यहां पर स्वीकार करने जा रहे हैं तो ऐसी कठिनाइयां जहां जहां भी हों, जिस रूप में भी हों, उन कठिनाइयों के उपचार के लिये, उन के समाधान के लिये हम को कुछ थोड़ी सी तत्परता से आगे आना चाहिये। कुछ दिन पहले मैंने इसी सदन के अन्दर चर्चा की थी कि एक बहुत बड़े विश्वविद्यालय के अन्दर जो केन्द्र के अन्तर्गत है अर्थ सम्बन्धी इस प्रकार की चीज है कि यहां से जो पैसा गया, विश्वविद्यालय के अधिकारियों ने उस का दूसरे अर्थों में उपयोग किया। आप ने यह देखा कि जो लोग अपनी बड़ी बड़ी जायदादें बेच कर पाकिस्तान जाना चाहते थे, अलीगढ़ मुस्लिम विश्वविद्यालय ने उन की जायदादों को खरीदा। वे प्रायः इस प्रकार के लोग थे जिन्होंने अपनी जायदादें बेचीं और कुछ दिन के बाद पाकिस्तान चले गये। तो यह जो ले और दे की प्रवृत्ति चल रही है, मेरा अपना विचार है कि जब हम इतनी बड़ी राशि विश्वविद्यालय को दे रहे हैं तो इस के सम्बन्ध में भी हम थोड़ी सी सतकता बरतें। अभी हमारे शिक्षा मंत्री जी ने कहा था कि हम ने इस के लिये पीछे जो कमेटी बनाई थी

उस ने त्याग पत्र दे दिया। मैं आपकी जानकारी के लिये इस बात को कह कर अपना स्थान ग्रहण करता हूँ कि इस विश्वविद्यालय की जांच करने के लिये जो समिति बनी थी, उस का क्रम यह है कि धीरे धीरे इसे इतना लम्बा कर दिया जाय कि वह कमेटी पूरा काम ही न कर पाये। मैं इस सदन में आप से साधिकार भाषा में यह कह रहा हूँ इस लम्बे समय के अन्दर इतनी तेजी से विश्वविद्यालय के कागजात में परिवर्तन हो रहे हैं कि जब यह कमेटी वहां पहुंचेगी तो उस को वे तथ्य नहीं मिल सकेंगे जिन के आधार पर इस कमेटी की नियुक्ति हुई है। जब तक यह कमेटी फिर जांच शुरू करेगी तब तक १ मई से वहां ढाई महीनों की छुट्टी हो जायेगी, और उन के सामने वह बात आ जायेगी कि अभी तो वहां पर लोग हैं ही नहीं, हम किस से एन्क्वायरी करेंगे, और क्या होगा? इस बीच में वे लोग पूरी तैयारी इस प्रकार की कर लेंगे। तो यदि यह कमेटी इतनी शीघ्रता में काम न कर सके तो मेरा कहना यह है कि इस विश्वविद्यालय के जो कागजात हैं जिन की जांच होनी है, उन को सील कर दिया जाये, या और किसी प्रकार से उन को सम्भाल लिया जाये क्योंकि वे देश की आर्थिक अवस्था से, देश की शैक्षणिक व्यवस्था से सीधा सम्बन्ध रखते हैं। इस बारे में मेरा निवेदन माननीय मंत्री महोदय से यह है कि वे सम्बन्धित व्यक्तियों तक मेरे इस सन्देश को पहुंचा दें कि इस का समाधान आवश्यक हो गया है।

**Shri Anthony Pillai:** On a point of clarification, Sir,—

**Mr. Speaker:** I have given him enough time.

**Shri Anthony Pillai:** I am only asking for a clarification. Yesterday the hon. Minister said that he would be changing the duty on motor vehicles— from 15 h.p. to 20 h.p. But no such amendment has been moved

[Shri Anthony Pillai]

today. I would like to know the reason for his silence today.

**Mr. Speaker:** The hon. Member says that the Minister stated that he will reduce the taxes on motor vehicles....

**Shri Anthony Pillai:** In the Bill it is stated that motor vehicles up to 15 horse power will have one rate and others above 15 h.p. will have another rate—Rs. 1,000 and Rs. 3,000. But the Minister said that he would change 15 horse power to 20 horse power. Not only is it something which I have heard but it is also reported in the newspapers.

**Shri Morarji Desai:** I said that on those cars which are medium cars Rs. 3,000 will not be taken but Rs. 1,000 will be taken. That will be done by notification. (*Interruption*).

Sir, I am grateful to the hon. Members for their cooperation in getting this Bill passed within the shortest time-possible. I can only say that I shall carefully bear in mind whatever

the hon. Members have said on the third reading and try to benefit by their suggestions and their criticism.

**Mr. Speaker:** The question is:

“That the Bill, as amended, be passed.”

*The motion was adopted.*

18.41 hrs.

**BUSINESS ADVISORY COMMITTEE  
FIFTY-FIRST REPORT**

**Shri Rane:** Sir, I beg to present the Fifty-first Report of the Business Advisory Committee.

**Mr. Speaker:** The House will now stand adjourned to meet again at 11 tomorrow.

18.42 hrs.

*The Lok Sabha then adjourned till Eleven of the Clock on Friday, April 22, 1960|Vaisakha 2, 1882 (Saka).*