

[Sh. Muftimohammad Sayeed]

an adverse or emergency situation, the people are kept there rather than allowing them to take refuge elsewhere. We will ensure that the minority dominated areas are put under a constant and proper vigil and patrolling of the security forces. I make an appeal to the hon'ble Members that keeping in view the situation in Kashmir, we shall have to act with utmost restraint and prudence. More stringent measures create difficulties for the common man. As such, we are trying to bring the situation under effective control by adopting a sophisticated approach.

16.12 hrs.

GENERAL BUDGET 1990-91- GENERAL
DISCUSSION

DEMANDS FOR GRANTS ON ACCOUNT
(GENERAL), 1990-91

AND

SUPPLEMENTARY DEMANDS FOR
GRANTS (GENERAL) 1989-90

[English]

MR. CHAIRMAN: We shall now take up discussion on the General Budget. The total time allotted is 14 hours. Items 13,14 and 15 are taken together for discussion.

Motion moved:

"That the respective sums not exceeding the amounts on Revenue Account and Capital Account shown in the fifth column of the order paper be granted to the President out of the Consolidated Fund of India, on account, for or towards defraying the charges during the year ending on the 31st day of March, 1991, in respect of the heads of demands entered in the fourth column thereof against Demands 1 to 27,29,30,32 to 86,88,90 to 95."

"That the respective supplementary sums not exceeding the amounts on Revenue Account and Capital Account shown in the third column of the order paper be granted to the President out of the Consolidated Fund of India to defray the charges that will come in course of payment during the year ending 31st day of March, 1990, in respect of the following demands entered in the second column thereof

Demand Nos. 1, 2, 3, 5, 7, 8, 9,
10, 12, 13, 14, 15,
16, 18, 19, 21, 25,
27, 31, 34, 36, 38,
41, 45, 46, 47, 48,
50, 51, 52, 54, 55,
56, 57, 59, 61, 63,
64, 67, 69, 70, 71,
72, 73, 74, 75, 76,
77, 82, 84, 88, 90,
91, 93, 94, 95."

Demands for Grants on Account (General) for 1990-91 submitted to the Vote of the Lok Sabha

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4

MINISTRY OF AGRICULTURE

1.	Agriculture	376,74,00,000	3,11,00,000
2.	Other Services of Department of Agriculture & Cooperation	96,22,00,000	47,63,00,000
3.	Department of Agricultural Research and Education	81,75,00,000	..
4.	Department of Rural Development	1898,45,00,000	7,00,000
5.	Department of Fertilizers	1320,78,00,000	33,86,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
MINISTRY OF CIVIL AVIATION			
6.	Ministry of Civil Aviation	19,42,00,000	1,25,00,000
MINISTRY OF COMMERCE			
7.	Department of Commerce	616,79,00,000	94,16,00,000
8.	Department of Supply	6,85,00,000	...
MINISTRY OF COMMUNICATIONS			
9.	Ministry of Communications	2,02,00,000	...
10.	Postal Services	327,35,00,000	13,40,00,000
11.	Telecommunication Services	1041,57,00,000	582,50,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
MINISTRY OF DEFENCE			
12.	Ministry of Defence	238,17,00,000	39,13,00,000
13.	Defence Pensions	374,94,00,000	...
14.	Defence Services—Army	2045,99,00,000	...
15.	Defence Services—Navy	225,20,00,000	...
16.	Defence Services—Air Force	519,66,00,000	...
17.	Defence Ordnance Factories	90,32,00,000	...
18.	Capital Outlay on Defence Services	...	1198,88,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
MINISTRY OF ENERGY			
19.	Department of Coal	38,60,00,000	247,50,00,000
20.	Department of Power	97,18,00,000	840,94,00,000
21.	Department of Non-Conventional Energy Sources	30,06,00,000	1,46,00,000
MINISTRY OF ENVIRONMENT AND FORESTS			
22.	Ministry of Environment and Forests	66,69,00,000	1,10,00,000
MINISTRY OF EXTERNAL AFFAIRS			
23.	Ministry of External Affairs	130,25,00,000	18,33,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
MINISTRY OF FINANCE			
24.	Department of Economic Affairs	106,29,00,000	60,04,00,000
25.	Currency, Coinage and Stamps	75,56,00,000	52,25,00,000
26.	Payment to Financial Institutions	64,67,00,000	888,38,00,000
27.	Pensions	125.16,00,000	...
29.	Transfers to State Governments	955,42,00,000	28,75,00,000
30.	Loans to Government Servants etc.	...	52,75,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
32.	Department of Expenditure	26,77,00,000	56,00,000
33.	Audit	64,35,00,000	...
34.	Department of Revenue	33,43,00,000	40,00,000
35.	Direct Taxes	55,13,00,000	30,00,00,000
36.	Indirect Taxes	87,09,00,000	38,69,00,000
MINISTRY OF FOOD AND CIVIL SUPPLIES			
37.	Department of Food	594,17,00,000	41,52,00,000
38.	Department of Civil Supplies	2,15,00,000	1,01,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
MINISTRY OF FOOD PROCESSING INDUSTRIES			
39.	Ministry of Food Processing Industries	5,70,00,000	2,90,00,000
MINISTRY OF HEALTH AND FAMILY WELFARE			
40.	Department of Health	128,66,00,000	41,78,00,000
41.	Department of Family Welfare	188,98,00,000	1,00,000
MINISTRY OF HOME AFFAIRS			
42.	Ministry of Home Affairs	77,26,00,000	4,25,00,000
43.	Cabinet	3,35,00,000	...

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
44.	Police	349,78,00,000	39,68,00,000
45.	Other Expenditure of the Ministry of Home Affairs	83,61,00,000	30,47,00,000
46.	Transfers to Union Territory Governments	22,07,00,000	9,64,00,000
MINISTRY OF HUMAN RESOURCE DEVELOPMENT			
47.	Department of Education	424,39,00,000	25,00,000
48.	Department of Youth Affairs and Sports	26,27,00,000	57,00,000
49.	Art and Culture	28,90,00,000	5,00,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
50.	Department of Women and Child Development	92,82,00,000	25,00,000
MINISTRY OF INDUSTRY			
51.	Department of Industrial Development	95,38,00,000	68,40,00,000
52.	Department of Company Affairs	2,25,00,000	1,00,000
53.	Department of Public Enterprises	12,63,00,000	74,68,00,000
MINISTRY OF INFORMATION AND BROADCASTING			
54.	Ministry of Information and Broadcasting	23,12,00,000	1,71,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
55.	Broadcasting Services	179,06,00,000	86,54,00,000
MINISTRY OF LABOUR			
56.	Ministry of Labour	92,00,00,000	28,00,000
MINISTRY OF LAW AND JUSTICE			
57.	Law and Justice	19,73,00,000	..
MINISTRY OF PARLIAMENTARY AFFAIRS			
58.	Ministry of Parliamentary Affairs	25,00,000	

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS			
59.	Ministry of Personnel, Public Grievances and Pensions	11,10,00,000	1,19,00,000
MINISTRY OF PETROLEUM AND CHEMICALS			
60.	Department of Petroleum and Natural Gas	25,42,00,000	37,50,00,000
61.	Department of Chemical and Petrochemicals	3,48,00,000	1,03,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
MINISTRY OF PLANNING			
62.	Planning	12,67,00,000	3,43,00,000
63.	Department of Statistics	10,80,00,000	...
MINISTRY OF PROGRAMME IMPLEMENTATION			
64.	Ministry of Programme Implementation	21,00,000	...
MINISTRY OF SCIENCE AND TECHNOLOGY			
65.	Department of Science and Technology	57,05,00,000	7,69,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
66.	Department of Scientific Industrial Research	60,68,00,000	1,37,00,000
67.	Department of Biotechnology	16,27,00,000	30,00,000
MINISTRY OF STEEL AND MINES			
68.	Department of Steel	6,89,00,000	256,41,00,000
69.	Department of Mines	34,44,00,000	10,62,00,000
MINISTRY OF SURFACE TRANSPORT			
70.	Surface Transport	8,92,00,000	44,36,00,000
71.	Roads	93,86,00,000	161,59,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
72.	Ports, Lighthouses and Shipping	30,18,00,000	55,32,00,000
MINISTRY OF TEXTILES			
73.	Ministry of Textiles	176,40,00,000	67,88,00,000
MINISTRY OF TOURISM			
74.	Ministry of Tourism	15,10,00,000	5,23,00,000
MINISTRY OF URBAN DEVELOPMENT			
75.	Urban Development and Housing	71,00,00,000	34,82,00,000
76.	Public Works	53,57,00,000	39,32,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
77.	Stationery and Printing	21,58,00,000	1,02,00,000
MINISTRY OF WATER RESOURCES			
78.	Ministry of Water Resources	66,36,00,000	4,55,00,000
MINISTRY OF WELFARE			
79.	Ministry of Welfare	94,00,00,000	2,29,00,000
DEPARTMENT OF ATOMIC ENERGY			
80.	Atomic Energy	110,28,00,000	148,08,00,000
81.	Nuclear Power Schemes	59,61,00,000	48,75,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
DEPARTMENT OF ELECTRONICS			
82.	Department of Electronics	24,08,00,000	7,04,00,000
DEPARTMENT OF OCEAN DEVELOPMENT			
83.	Department of Ocean Development	8,96,00,000	1,33,00,000
DEPARTMENT OF SPACE			
84.	Department of Space	80,70,00,000	23,64,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
PARLIAMENT, SECRETARIAT OF THE PRESIDENT AND VICE-PRESIDENT AND UNION PUBLIC SERVICE COMMISSION			
85.	Lok Sabha	4,64,00,000	..
86.	Rajya Sabha	1,86,00,000	..
87.	Secretariat of the Vice-President	6,00,000	..
MINISTRY OF HOME AFFAIRS (Union Territories without Legislature)			
90.	Delhi	255,63,00,000	171,51,00,000
91.	Andaman & Nicobar Islands	36,06,00,000	24,93,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
92.	Dadra & Nagar Haveli	7,71,00,000	2,11,00,000
93.	Lakshadweep	9,41,00,000	3,12,00,000
94.	Chandigarh	41,25,00,000	11,07,00,000
95.	Daman & Diu	4,73,00,000	2,22,00,000

Supplementary Demands for Grants (General) for 1989-90 to be submitted to the Vote of the Lok Sabha

No. of Demand	Name of Demand	Amount of Demand for Grant to be submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
MINISTRY OF AGRICULTURE			
1.	Agriculture	1,00,000	
2.	Other Services of Department of Agriculture and Cooperation	3,30,00,000	
3.	Department of Agricultural Research and Education	22,00,00,000	
5.	Department of Fertilizers	353,89,00,000	
MINISTRY OF CIVIL AVIATION AND TOURISM			
7.	Department of Tourism	1,00,000	

No. of Demand	Name of Demand	Amount of Demand for Grant to be submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
MINISTRY OF COMMERCE			
8.	Department of Commerce	24,77,00,000	199,89,00,000
9.	Department of Supply	64,00,000	...
MINISTRY OF COMMUNICATIONS			
10.	Ministry of Communications	93,00,000	...
12.	Telecommunication Services	...	117,48,00,000
MINISTRY OF DEFENCE			
13.	Ministry of Defence	157,06,00,000	1,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant to be submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
14.	Defence Pensions	250,00,00,000	...
15.	Defence Services—Army	546,46,00,000	...
16.	Defence Services—Navy	54,35,00,000	...
18.	Defence Ordnance Factories	54,49,00,000	...
19.	Capital Outlay on Defence Services	...	328,86,00,000
MINISTRY OF ENERGY			
21.	Department of Power	36,12,00,000	8,93,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant to be submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
MINISTRY OF FINANCE			
25.	DEPARTMENT OF ECONOMIC AFFAIRS	55,67,00,000	2,00,000
27.	Payments of Financial Institutions	46,03,00,000	689,56,00,000
31.	Loans to Government Servants etc.	...	11,00,00,000
34.	Audit	18,72,00,000	...
36.	Direct Taxes	16,80,00,000	...
MINISTRY OF FOOD AND CIVIL SUPPLIES			
38.	Department of Food	274,52,00,000	...

No. of Demand	Name of Demand	Amount of Demand for Grant to be submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
MINISTRY OF HEALTH AND FAMILY WELFARE			
41.	Department of Health	12,87,00,000	
MINISTRY OF HOME AFFAIRS			
45.	Police	45,36,00,000	
46.	Other Expenditure of the Ministry of Home Affairs	1,32,00,000	
47.	Transfers to Union Territory Governments	1,58,00,000	

No. of Demand	Name of Demand	Amount of Demand for Grant to be submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
MINISTRY OF HUMAN RESOURCE DEVELOPMENT			
48.	Department of Education	4,00,000	..
50.	Art and Culture	2,00,000	..
51.	Department of Women and Child Development	26,00,000	..
MINISTRY OF INDUSTRY			
52.	Department of Industrial Development	36,00,00,000	..
54.	Department of Chemicals and Petrochemicals	310,00,00,000	..

No. of Demand	Name of Demand	Amount of Demand for Grant to be submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
55.	Department of Public Enterprises	344,29,00,000	..
	MINISTRY OF INFORMATION AND BROADCASTING		
56.	Ministry of Information and Broadcasting	2,01,00,000	55,00,000
57.	Broadcasting Services	116,94,00,000	19,87,00,000
	MINISTRY OF LAW AND JUSTICE		
59.	Ministry of Law and Justice	8,78,00,000	..

No. of Demand	Name of Demand	Amount of Demand for Grant to be submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
MINISTRY OF PERSONNEL, PUBLIC GRIEVANCES AND PENSIONS			
61.	Ministry of Personnel, Public Grievances and Pensions	58,00,000	...
MINISTRY OF PLANNING			
63.	Planning	...	7,81,00,000
64.	Department of Statistics	5,89,00,000	...
MINISTRY OF SCIENCE AND TECHNOLOGY			
67.	Department of Scientific and Industrial Research	2,27,00,000	...

No. of Demand	Name of Demand	Amount of Demand for Grant to be submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
MINISTRY OF STEEL AND MINES			
69.	Department of Steel	21,89,00,000	167,63,00,000
70.	Department of Mines	2,09,00,000	125,51,00,000
MINISTRY OF SURFACE TRANSPORT			
71.	Surface Transport	720,52,00,000	1,00,000
72.	Roads	27,62,00,000	1,00,000
73.	Ports, Lighthouses and Shipping	14,70,00,000	4,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant to be submitted to the vote of the House	Revenue Rs.	Capital Rs.
1	2	3	4	4
	MINISTRY OF TEXTILES			
74.	Ministry of Textiles	2,00,000	85,50,00,000	
	MINISTRY OF URBAN DEVELOPMENT			
75.	Urban Development and Housing	1,00,000	..	
76.	Public Works	14,87,00,000	1,00,000	
77.	Stationery and Printing	4,83,00,000	..	
	DEPARTMENT OF ELECTRONICS			
82.	Department of Electronics	3,84,00,000	..	

No. of Demand	Name of Demand	Amount of Demand for Grant to be submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
DEPARTMENT OF SPACE			
84.	Department of Space	13,88,00,000	
PARLIAMENT SECRETARIAT OF THE PRESIDENT ETC			
88.	Secretariat of the Vice President	1,00,000	
UNION TERRITORIES WITHOUT LEGISLATURE			
90.	Delhi	69,09,00,000	116,61,00,000
91.	Andaman and Nicobar Islands	20,46,00,000	...

No. of Demand	Name of Demand	Amount of Demand for Grant to be submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
93.	Lakshadweep	3,97,00,000	..
94.	Chandigarh	14,61,00,000	..
95.	Daman and Diu	98,00,000	..
TOTAL		3737,37,00,000	1879,30,00,000

MR. CHAIRMAN: Now, Shri Ajit Panja may speak.

SHRI AJIT PANJA (Calcutta North East): Mr. Chairman, Sir, after the Budget has been presented by the hon. Finance Minister, the people of India have already started feeling the pinch of it and really the heavy burden has affected the poor, the lower middle class and the middle class. But it appears that after taking into consideration the reduction announced, there is Rs. 4844 crores of additional tax burden- Rs. 1790 crores from the budget proposals, Rs. 207 crores from the postal tariff, Rs. 892 crores from the Railways, Rs. 600 crores from the telephone and other communications tariff, Rs. 1400 crores from the various petroleum products. That taken us to Rs. 4,889 crores, reduction announced, it comes to Rs. 14,844 crores.

Sir, it is necessary to run a government to have taxation. But from the pattern you must have seen that more emphasis has been laid on indirect taxes and less emphasis on the direct taxes. People who are poor have to pay excise duties and various indirect taxes. The rich and affluent class have been helped by this Government and, Sir, out of this amount of Rs. 4,844 crores, Rs. 1000 crores straightaway go, by the declaration of the Finance Minister, to the rich landholders or kulaks.

Sir, about the waiver of loan-if you take the wording that has been announced from time to time-first in the manifestoes of the National Front, CPI (M), CPI and BJP, the word used was to 'write off' the loan. It was being thought that there are all fools in India and they will not be able to understand the difference between 'writing off' the loan and the so-called 'debt relief'. An amount of Rs. 1,000 crores was to be set apart for the so-called debt relief. Again, when this Rs. 1,000 crores was set apart, such conditions have been imposed that not a single poor farmer will be able to get any benefit. To wriggle out of the promises that was made during the election, it was stated that it is not a waiver of loan, but it is a debt relief, they posed as if something new has been done by this Gov-

ernment by providing this Rs. 1,000 crores. A statement was made that the requirement would be Rs. 14,000 crores then there was a talk of Rs. 10,000 crores; and then we found from the newspapers that the Reserve Bank made a statement that the requirement would be Rs. 14,000 crores. When the Government found that they had been duly voted by the people and it was not possible to specifically fulfil the promise, they thought it was better to wriggle out of the situation. Then, the Finance Minister announced in a Press statement that they are examining it in various manners as to what way the relief is to be given. Finally, when it came in the Budget speech, paragraph 29, we found that crafty words have been used in order to defraud the poor farmers. First it was Rs. 1000 crores and then it was Rs. 14,000 crores and there is no explanation as to why it is not Rs. 1,000 crores. It was stated that it is to be given to the farmers without any limit of land holdings. We know that there are rich farmers-I am not saying very rich-but there are farmers-who can be compared with very poor farmers. The farmers who have got money and muscle power will immediately take this Rs. 1,000 crores. Secondly, the word used was 'willful defaulters', according to the definition of the NABARD'. Where is the gadget and infrastructure to decide the 'willful defaulters'? The Finance Minister has said that our Banks are well equipped and they have got all the data to find out who is 'willful defaulter' and who is not. If a farmer has a lot of land and does not pay the money, then how will you decide whether he is a 'willful defaulter' or not? Has he tried to sell a portion of his land or tried to mortgage it? What is the distinction between a poor farmer and a farmer with large land holdings? No guideline has been given as to how it is to be decided. They say that the gadget of check is the bank official. Therefore, the bank officials will take individual applications and the fate of the poor farmers, who are not even able to read and write the applications, will fall in the hands of bad middlemen and the entire amount of Rs. 1,000 crores will be pocketed by these persons. Then, the Finance Minister knows that about Rs. 6,000 crores taken as loan by

[Sh. Ajit Panja]

various industries has been made as bad debts. They are all rich industrialist but they do not pay back the advances taken by them to the bank properly. Is there any word in the Budget speech that you are taking any action against them?

In the books of accounts, gradually and slowly first it is stated that attempts are being made to recover it. Then, gradually it is stated that the amounts are outstanding. Then, as years go by, it becomes bad debt. And then, it is slowly and silently written off. Who are those people with whom Rs. 6,000 crores are outstanding? I do not know what is more inside. From the known source, it is Rs. 6,000 crores. They are big industrialists. Has any attempt been made by this Government to find out and to recover this amount immediately? If they have tried, they could have realised at least half of it. What is the position of court cases pending against them? The bank comes on the last date and appoints the receiver over the property. Because the limitation period for the mortgage created is 12 years, the lawyer is briefed at the 11th year. After 11 months and 29 days of the 11th year, the advocate drafts the brief and files the suit the day before the expiry of 12 years. The petitioner Bank gets the receiver appointed. The receiver goes there and finds that the machineries mortgaged—big plants lying therefor about 5 to 6 years—are already worn out. He makes an auction of the mortgaged plants. There again, the Mafia gang controls the auction. The loan taken is of Rs. 2 crores and the recovery from the property mortgaged is Rs. 2 lakhs to Rs. 3 lakhs. The Finance Minister may make enquiry and reply whether I am right or not. Hundreds and thousands of cases are pending all over the country. No attempt has been made to recover and the amount is Rs. 6,000 crores now.

Therefore, to gadget to decide the willful defaulters is not a perfect gadget. Secondly, is it fair to give it to the bank officials and leave the poor farmers absolutely at their mercy? It is not a case which the people

expected from the "open" government and the "value-based" government. This was not expected of them. There is trickling down from Rs. 14,000 crores to Rs. 11,000 crores and ultimately the actual provision is Rs. 1,000 crores. With such conditions that you have put, not a single poor farmer will be entitled to get the relief. But, of course, in the electronic media, newspapers media, big words are said that this Government has come with a new proposal.

What is the past history? The wording was writing off the loan. Who were the beneficiaries by the decision of the previous Government? I can cite ten example but it would take time. So, I will cite important ones. It was about writing off Taccavi loan with interest which was outstanding for 20 years or more. The previous Government did it and the loan was written off along with interest. It was not done as debt relief. The total loan amount was approximately Rs. 77 crores. It was written off. I am making this distinction, at least for the understanding of the commonman.

There is a mention about the application to be given by the farmer. There is a clause in that. "Have you ever taken loan from Government or any other source? If so, what is the amount you have paid out?" If it is writing off the loan the farmer will only write, "No". Because it is a clean slate and no enquiry is necessary to be made as to what he has done with the past loan. That is the help people expected and that is what is said in the Manifesto. It is stated, writing off the loan. Now, it is debt relief. He will have to answer, "Yes". From such and such block, out of 5,082 blocks in India, from such and such village panchayats, out of 8 lakhs of Villages in India, the application comes to the bank. The bank sends this to the BDO. The BDO sends it to the Panchayat. From Panchayat it goes to the Taffadar or Chowkidar of the village to find out his willingness to pay. That means, the disposal of the application will take at least 5 years. By that time elections will come, if the Government sustains up to that time. Sir, therefore, this is a fraud on the people, absolute fraud

on the poor people. Then, this willingness to pay or not to pay has to be decided. The report again comes back to the bank and the farmer is at the mercy of the bank officials. But, Sir, you see, the writing off of the loan was done by the previous Government. Writing off loan with interest for soil conservation and agricultural improvement was done. The amount of interest was also written off. It was approximately Rs. 66 crores.

The number of beneficiary farmers is 15 lakh landholders. They are the actual men who have been looked into by the previous Government. There were taccavi loans

The next one is writing off of loans for soil conservation and agricultural improvement. The actual tillers were given this benefit.

The third is the writing off of loan with interest for agricultural inputs and crop protection about which interest written off is approximately Rs. 67 crores. The number of beneficiaries is 37 lakh farmers.

Again regarding writing off of outstanding dues of the cashew plantation of Konkan region. The total amount written off is Rs. 79 lakhs. The number of beneficiary farmers is approximately 40,000.

There are ten instances. I will give them to the hon. Minister so that he can see and find out whether the briefing by the Department was properly done.

The bank officials are putting in various types of hurdles in giving this writing off of loan benefit. The previous Government also felt that. The whole idea, therefore, was not giving to the banks. It is the Government who is to do that. The representatives of the people were relied upon those who will feel for these people. Now this Government has succumbed to that pressure, and the entire machinery has been handed over by the hon. Finance Minister to the banking officials.

Therefore, this is the first hoax of the Government of Prof. Madhu Dandavate and out of this taxation of a little over Rs. 4,500 crores on the poor people Rs. 1,000 crores goes to the big landholders, if at all, or to the corrupt bank officials of those States who will only play with them along with the middlemen.

The second fraud committed on the people is the so called Fundamental Right to Work. In the first speech of the hon. Prime Minister on the 3rd December, 1979 there was not a word about the Fundamental Right to Work.

If we look at the entire manifestos which I have got of all the parties, the promises are:

Marxist Communist Party: The Fundamental Right to work shall be brought in the Constitution.

CPI: The Fundamental Right to Work will be incorporated in the Constitution.

BJP: Fundamental Right to Work has to be introduced and this is our promise to the people to be enshrined in the Constitution.

After giving a big lecture on what is a Fundamental Right to work and what are other Rights, the National Front has stated "We shall do so."

The wording in the first speech by the hon. Prime Minister made on the 3rd of December is "The Youth of this country shall be utilised for nation building work."

In the first speech of the President to the first Session, it is said: "The youth are suffering because of unemployment. They shall be utilised for nation building work."

Even the legal right to work as enshrined in other Articles 30, 39, 41 and 43

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exist just like the Directive Principles and not as a Fundamental Right. They are posing as if they are bringing something very much new.

After the President's speech, a question was put to the Labour Minister in Lok Sabha. To the first question, the hon. Minister answered "Unemployed youth shall be utilised for nation building work." Then we raised a hue and cry. In the Rajya Sabha, the hon. Minister said "No, no. We will bring it as a Fundamental Right." On 1st January this year, the Prime Minister announced that after a Cabinet discussion they are going to bring this as a Constitution Amendment to make it a Fundamental Right, as if it is some new innovation. In the Constituent Assembly, in the year 1946 this point was first raised by Mr. K.T. Shah. There was a thorough discussion over that subject. Mr. Shah argued with force to make the right to work as a Fundamental Right. Then, it was divided into two groups because they found that the money required was not enough to make right to work a fundamental right. They were leaders of high stature. They did not want to play hoax to get elected. They found that it was impossible to perform. Therefore, they defined a Fundamental Right like Right to Religion, Right to Freedom of Speech, Right to Expression, Right to thought etc. Therefore, the Constituent Assembly was divided into two groups separately but still they enshrined it in clear words in Articles 30, 39, 41 and 43 the right to work. They know that it could not be done as fundamental right. They were great and noble leaders. They did not want to play fraud on the people. But here, this Government is saying that it will bring in fundamental rights. What are the requirements for that? It appears that the number of Ex-employment Exchanges set up upto 1980 in the country is 840. The registered unemployed youth up to 1988 number 30 millions. If this fundamental right has to be brought in, according to the report of the Economists published in various newspapers, immediately it is necessary to set apart a sum of Rs. 39,600 crores. Further, I would like to say

that no employment could be given but only doles have to be given if it is a fundamental right. The youth have to survive. That is the pith and substance. At that time, those leaders knew that it was impossible to perform. But the present hon. Prime Minister has stated: "We have given word to the people. Therefore, we will bring it in." What a decorative word they have given to the people. Is this a decorative thing which the people will use and worship in their homes. This is the wording. There are two important aspects in this Budget-writing off of loans and making employment a fundamental right. In West Bengal, loans will be written off, as the CPI (M) has written on walls that that is, *Maulik Adhikar* fundamental right enshrined in the Constitution. Now they are playing hoax. What is the requirement to implement it? 48 per cent of the total Budget expenditure of the Central Government is to be set apart. If we take States and the Centre together, the requirement is 31 per cent of the total budget expenditure. Therefore, this is something which is impossible to perform. Still, they go on giving hoax. Every day, in the newspapers, in the electronic media etc. they are saying that they are going to give it. They have said it in their manifesto and are saying even today. But it is impossible to perform. They are giving hopes one after the other. We have to examine it. Is there any attempt, any sense or direction in the budget to bring in a gradual development in such a way that the people would at least feel that this Government is honest in doing something to give employment, to give some atmosphere of security by which there will be development? There should be development. There should be renewal of the villages. It cannot be achieved by giving them subsidy and writing off loans. Therefore, the villages should be developed and rural Employment has to be linked with renewal of villages. There was no word about it. Two paragraphs have been given only for the purpose of creating a drama. There is the employment guarantee scheme. When will that scheme come into force? What will that scheme give? How it will be provided? Nothing has been stated anywhere. Therefore, in my respectful submission, this right to work as a fundamental

right is a second fraud committed by the Government. It is not something new. In this connection I would like to refer to our very revered political personality of course not belonging to our party but he belonged to the Marxist Community party. Late Shri Jyotirmoy Basu debated it for days on three occasions. That debate was finally closed on 27th July, 1977. There also he gave reasons. Shri Jyotirmoy Basu wanted to know as to what were the necessary requirements and what were the resources required for that purpose.

Now the Marxists do not know their own history. They have forgotten Mr. Jyotirmoy Basu. When they prepared this manifesto they wanted it as a Fundamental Right. Have they asked the Government why have they not done this? They cannot scrap it. On the other hand, somebody says from the corner of Bengal that it is a progressive Budget. Next day, he changes it and writes a letter to Mr. Dandavate. without reading it, the Chief Minister of the State says that it is a very progressive Budget... (Interruptions)

DR. BIPLAB DASGUPTA (Calcutta South): This is not West Bengal Assembly... (Interruptions)

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE): Even in that letter he has repeated this sentence.

SHRI AJIT PANJA: It is confirmed by the hon. Finance Minister that in that letter written to him he has also said about the 'progressive Budget'. People at large do not know it because it has been stated that Mr. Basu is very much angry about the budget. Why is he talking about the progressive Budget? The next day he changes his opinion. Everyday he is changing his opinion and writing letters. The Marxist Communist Party at least knew about it or were ignorant to Mr. Jyotirmoy Basu's word of caution to the then Government to make it a Fundamental Right. These are the things you have to do. That was concluded on the 27th July, 1977. Un-

fortunately, when the manifesto was prepared the writings on the wall by the CPI (M) were everywhere. They made the wall writing but did not see the writings on the wall. Let her go back and say that it is a pure and simple fraud. Therefore, in my opinion, what I have said on these points... (Interruptions)

PROF. MADHU DANDAVATE: You better attack me. Why do you attack the Marxist Party? (Interruptions)

DR. BIPLAB DASGUPTA: What about 'Garibi Hatao'? What did you do? (Interruptions)

MR. CHAIRMAN: The hon. Member may please sit down.

(Interruptions)

SHRI AJIT PANJA: The hon. Member wants to know what did the Government do? How can they know about it? They ran out. What we have done in 30 years... (Interruptions)

MR. CHAIRMAN: You please resume your seat. When you get a chance, you can speak.

(Interruptions)

SHRI AJIT PANJA: The hon. Member has said that I am telling... **... I have never told** in Parliament. He has said that I have told... **...

MR. CHAIRMAN: It is unparliamentary and it should not form part of the record.

(Interruptions)

PROF. MADHU DANDAVATE: ... **...are unparliamentary. Only 'untruth' is parliamentary (Interruptions)

MR. CHAIRMAN: If at all he has said it,

it will not form part of the record. Even otherwise, any Member saying anything without the permission of the Chair will not form part of the record.

(Interruptions)

SHRI JANARDHANA POOJARY
(Mangalore): Including Mr. Dandavate.

MR. CHAIRMAN: Including you Mr. Poojary.

(Interruptions)

SHRI AJIT PANJA: Therefore, it is they who walked out. We were at the end of the Seventh Plan and at the beginning of the Eight Plan. Whatever has been done is on record. You have to test the Government from the plan performance whether it has been implemented or not. The target for economic growth was fixed at 5%. In spite of the two successive droughts, target of 5.4% was achieved. In one single year, that is, 1988-89, it was 9%. They can examine it from the records. Now the manufacturing output has grown over 8% annually. Third is the record agricultural production of 172 million tonnes. Last year, that is, 1988-89, the production grew by 17 to 20%. If value is added to it, it grew by 12.5% to 15%. The industrial growth has gone up by more than 9%. Exports have grown up more than 50% in the last two years. *(Interruptions)*

MR. CHAIRMAN: If the hon. Member wants to ask a question he must first take the permission of the speaker and if he yields, he can ask a question.

SHRI AJIT PANJA: The outlay during the 7th Plan has exceeded the target and helped all round growth and development. About the poverty removal the hon. Member is very much agitated, but he does not know what is poverty. *(Interruptions)*

MR. CHAIRMAN: The hon. Member may please resume his seat and control himself. He cannot ask a question without the speakers permission.

MR. AJIT PANJA: He should study the Budget at home and come here.

About the poverty removal schemes like 20 Point Programme, Jawahar Rozgar Yojana and other similar schemes I would like to point out that the number of people below the poverty line which had increased from 47% to 50% during 1977-79 period had been brought down to 30% during 1988-89. It is on record in the Planning Commission and Prof. Dandavate knows it very well.

About the role of medium and large scale industries, the investment made by the previous Government in public sector rose from Rs. 37,000 crores to Rs. 86000 crores during the 7th Plan. There was productivity, efficiency and public utility at commanding height.

It is stated at the beginning of the Budget as if nothing was left by previous Government. The Prime Minister said 'empty coffers', then Madhu Dandavateji clarified it by saying it is a rhetoric, somebody else said it is decorative; but the people of India find it chaotic-that is the difference!

Madhu Dandavateji said about *Chaukhamba* taking the name of God in vain of our great leaders like Dr. Ram Manohar Lohia. Now I find only three *Khambas* one is the Marxist Community Party, another is BJP and the third is Janata. Instead of *Chaukhamba raj*, the Raja is standing on three *Khambas* !

Therefore in conclusion I would say that with the increase that has been done along with the increase in railway fare and freight, increase in the petroleum products, communication rates and various other items and the relief being given to the kulaks and the rich people-Rs. 75000 onwards surcharge etc.-the Budget is simply inflationary. We have already started feeling the pinch of it. If Prof. Dandavate makes an enquiry through the Revenue Intelligence all over the country- I hope he is doing it-he will find that people are really suffering. What did he used to say from this end? At least now sitting

there he must realise it. he should not forget as to how much it is affecting the people.

MR. CHAIRMAN: How many more minutes do you want?

SHRI AJIT PANJA. I am concluding in two or three minutes Sir.

PROF. MADHU DANDAVATE: He has to come to the Budget as yet!

SHRI AJIT PANJA: Here only hopes are being given as I have already enumerated in what manner they have been given. Therefore as it is inflationary, I am sure Prof. Dandavate will reconsider the various tax proposals made. Wherever necessary certainly he can tax the rich who have got the ability to pay. But he cannot tax the poor and the down-trodden people in such a manner as by increasing the indirect taxes, by increasing the Customs Duty. From where the businessmen will get it? They will charge the consumer. So it is an anti-consumer Budget; consumers are suffering.

Even now after the Budget speech, not a single directive went anywhere. You go to one shop, a particular item will be charged at one rate. One kilometre away you ask for it, another price is charged. For petrol there is one price in Delhi, another in Bombay, another in Bangalore, another in Calcutta, another in Siliguri and a different price in Darjeeling. Not a single directive has been issued as to what should be the price.

Sitting here these Marxist Community Party people only worship the Raja. As it is said in the month of Sravana, *Baba Vishwanather Charane Sebalage*. That is the only slogan by raising which they are enjoying the power. Is it a fact that the polit-buro said that this Budget was farce and then Shri Jyoti Basu followed? Is it also a fact with the Railway Budget? Is it also a fact with the Postal Tariff Budget? Is it also a fact with the General Budget? People cannot suffer in the hands of someone who is thinking of holding some post, by having good relations with someone here.

Sir, the entire Budget-if you examine from any angle, Shri Dandavate, I appeal to you is inflationary. Already the prices have started rising. It is clear that it will bring tears in the eyes of our mothers at home. Please issue directions right now as to what are the prices, the people are expected to give, in respect of items which have got the increasing trend now.

Then, the Gold Control Act was given a go-by because it is as per a committee's report which the previous Government set up. This is one of the recommendations, Mr. Dandavate knows. But, there were checks and balances mentioned by the Rangarajan Committee, which have not been followed. That is why there is a steep fall. What is happening now? Some poor people reserving some gold feel an economic hedge-a sense of security. Kindly take guard of that. Domestic gold gives a sense of security to low middle class or the middle class people. They think of their daughters; we cannot brush aside everything on one day. They think of their daughters and a widow thinks of her own social security. Kindly think of this and see that something is done so that relief is granted as it is required to be done. The fall is not so steep that that people bring up gold immediately and the smuggling starts. And, last but not the least, there is not a single word stated anywhere as to what is going to be done against drug trafficking. So far as black-money is concerned, there are two paragraphs. In the first paragraph, against black-money are there and in the second paragraph, there are words as to how to give incentive to unearth black-money. I hope that this Government will not decide to give subsidy in respect of black-money holders. The whole of India is suffering and there is not a word about the drug trafficking; not a word is stated as to what will happen to them. Not a word is there about this in the President's Address also.

Last year and, the year before that too, there was a specific paragraph on drug trafficking. It said that the menace was increasing. There is no mention about what is the amount which has been set apart and what

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is being done to save the youth of India from being fallen in the trap of drug trafficking.

Sir, you must have seen that the National Front Government did not oppose me at all. The hon. Members who are sitting here—the most reactionary available now—giving their name as Marxist Communist Party, are supporting the Government only with the idea of a simple thing “enjoy the power; do not take any responsibility”. That is the philosophy they are having.

With these words, I conclude.

CH. JAGDEEP DHANKHAR (Jhunjhunu): Mr. Chairman, Sir, the maiden Budget by the Finance Minister will go down in the history as the first Budget which has shown concern to rural sector and which has agricultural orientation. It is the first Budget wherein the silent majority living in the villages has been heeded to and well-attended. I have, as a first-timer to this House, gone through virtually all the editorials. I found that there has never been a Budget which evoked such a positive reaction as this one does.

In his Budget, he has grappled with the problems. The Budget, I am sure, has given rude shocks to those who had apprehensions and expectations that the Finance Minister would be ruthless and come out with heavy doze of taxation.

The budget also came as a rude shock to those on the opposite benches who harboured the thought that electoral promises held out by us would not be reflected therein. It is a budget where the Finance Minister had to deal with the financial indiscipline which we inherited from the previous Government. It was an uncontrollable economy he had to deal with. The House had been made aware earlier of the grim economic position which the present Government obtained.

I am tempted to react to a Member of this House who says: “There is no *Madhu* in the budget and there is only ‘*dand*’.” Sir, the

budget has *Madhu* for the poor, it has for the farmer, it has for the woman entrepreneur, it has for the housewife, it has for the small man, the small industrialist. (*Interruptions*) The budget has ‘*dand*’ for tax dodgers. It has *dand* for *benami* transactors, for those who are black-money holders and for the economic offenders.

This is a unique House. The Father of the Nation, Mahatma Gandhi said: “The spirit of India lives in villages.” The last electoral exercise has transformed this House. Over 300 of its Members are drawn from the rural segment. The spirit of the House is such which is obtaining in the villages. We are obliged to the Finance Minister that he has bestowed adequate attention to the mute villagers, the poor and other categories. It is not without significance that Industrial Policy Resolution came in the year 1956 and it was left for this Government—the present Finance Minister—to make a reference to the Agricultural Policy Resolution. This is sad for the country that we allowed four decades to pass without really grappling with the issues and problems. Earlier, what had happened was only a lip-service to our sector, the rural sector.

I come from a village. The uniqueness of the budget can be seen in more ways than one. It reflects the rural bias. It accords a rightful place to the agricultural sector. It is a budget which has dealt extensively with the rationalisation of tax structure. One can see the serious advantages which arise out of scrapping of the Gold Control Act, Agricultural Policy Resolution. And look at the bonafide approach of the Finance Minister. It is, for the first time, in our country that a Finance Minister has come out in his budget with a proposal that there will be mid-term assessment of the budget. He would come to the House with performance of the budget after six months and take the House into confidence.

The debt relief measures are something which need to be gone into in depth. It is not a matter which can be casually taken.

This is the budget which has genuinely grappled as to the costing of the agricultural produce—the reward which the farmer has to get for his managerial work. It is a budget wherein 50 per cent of the investible resources have to be pooled down for agricultural and rural sector. Such a budget has been offered, as I said earlier, in a situation where we had grim economic situation. My friend had just said about achievements of the earlier Government. In the last five years, our foreign debts doubled. It is a fact which cannot be disputed

The Finance Minister has also attended to the grim situation which obtained overseas also. It is required of us to preserve our economic independence. If there had been some delay, probably we may here lost it. He has squarely dealt with the problem of self-reliance and economic independence. Sir, this Budget is the first of its kind in the post independence India. I would like to say something about the repeal of the Gold Control Act. Being a lawyer, I fully know the harassment which the poor goldsmiths in remote villages and small towns are subjected to. It may be that the previous Government did something to give them some relief. But it is the Finance Minister who took the bold initiative and gave new life to thousands of goldsmiths and gave a new concept to the art of goldsmithy. I am sure that the result and the impact can be seen and felt that the prices of gold are going down, whatever may be the protestations from the other side. This measure will not in any way, affect the Customs Act. Those who are engaged in smuggling will be dealt with strongly.

As regards debt relief, I would like to go slightly into the details. A farmer incurs debt to raise an infrastructure. For example, a farmer may get loan to raise a well. he does not get power. For years together, his investment remains idle. The interest triples and sometimes it becomes four times. If such a loan is waived, there will be a debt relief for him. Nobody can disagree with the Finance Minister when he says that the concept of perennial poverty for such a man must go. He must be given a way to revive himself. That will be our achievement. The House

can very well realise that on debt relief, a farmer is given new chances to engage himself in production-oriented work more vigorously. This will help him to do his work properly and strongly. The banking system will get fillip and will not get jerk as is being held out. The Finance Minister has given some dimensions to willful defaulters. Paragraph 30 of the Budget says about this. I think that would take care of the situation. But I would appeal to the hon. Finance Minister that his Budget speech has gone on an academic note which will have practical connotations later on, i.e., the discretionary element has to be curtailed. This is what he has highlighted in his speech. I feel that the expression 'willful defaulter' may create some administrative difficulties and greater attention need to be bestowed on it so that his intention to extend assistance to the poor, and not to willful defaulter, comes to reality. I am happy that myself and many other Members have their roots in the villages. As I come from a village, I know the difficulties of a villager. The precious speaker said something about 'kullaks'. He mentioned the amount as Rs. 75,000 and above. I was then reminded of the poor man's concept evolved by a rich man's daughter as one who does not have chauffeur or a bungalow or at least a car. What I mean to say is that we should know their feelings as they are living in our country. Let us have no fancital concept about farmers income. We are obliged to our Finance Minister as he has come out with a concept, which he will introduce very soon, which is about the computation of the cost of agricultural produce. Certain ingredients have been detailed by him I am sure that would put the economic situation regarding agricultural sector on a firm footing. This would help us to evaluate a proper, practical and pragmatic approach as regards the support and remunerative prices of agricultural produce. In their Government, while they ruled for four decades, we had a situation when the farmers were made to suffer terribly in a situation of plenty or in a situation of want.

I am quite sure that such a situation will not happen.

[Ch. Jagdeep Dhankhar]

17.00 hrs.

One point that has to be taken serious note of is that the rural sector will prosper if burden on the agricultural land is reduced in terms of manpower. Of course, in the Budget there are guidelines, particularly for establishing rural industries. Incentive has already been given, but if something more is done in that direction, I am sure our Government's commitment to live up to the concept of right to work would be translated into reality.

Our Finance Minister has the greatest regards for Dr. Ram Manohar Lohia and he has bestowed, and very rightly so, adequate attention on women entrepreneurs. Dr. Lohia was a great champion of equality between women and men. The Finance Minister has gone to the root of the matter when he talked of seed money and margin money being made available to women entrepreneurs. I am sure, once it is done, the situation on the employment front would seriously improve.

Something needs to be done in respect of establishing food processing industries in the rural sector.

The Finance Minister has invited suggestions from the House and he has given his mind how to tackle the menace of black-money. Going by the past experience, we find in our efforts to resolve the problem, we fall into further trap. To get away from such a trap, let the scheme be categorical and simple without 'ifs' and 'buts'. Let there be a scheme which will drive out black money for national causes and that should be channelised for developmental purposes; certain areas can be defined like rural housing etc. Though suggestions in that direction have been made, but the scheme should be such which would inspire confidence and should be decisive on the point of finality as the Finance Minister has said with respect to debt relief. He is very categorical that there would be no more debt relief. Once perennial poverty system is over for the farmer, he cannot think or contemplate of getting more

money waived or written off like this. In my humble opinion, such should be the scheme for black money also.

I am sure, one million people in the country are seriously obliged to the Finance Minister for getting them out of the tax net. As a matter of fact, this was required. If we go by the value of the money at present, there should have been total exemption from income tax up to Rs. 27,000. I know the Finance Minister's job is rather difficult; he has to collect money to translate various project into reality, but this is a suggestion which can be seriously examined. It would do more justice to the salaried and low-income people.

I would not deal with the relief in other matters from the point of view of taxation. The Finance Minister needs to be complimented that he was vigilantly alive to the public opinion and the debate which had been going on in the industrial sector. This is reflected in his giving certain concessions under Section 115J of the Income tax Act. Shri Nani Palkhivala, a great economist of the country about three weeks ago had dealt with it at length. I am sure, the concession which has been extended by the Finance Minister would boost greater investment and activity in the corporate sector.

A serious assault has already been launched on black money, on those who do not believe in the normal tax system. The donee-based gift scheme is an inkling, is a small tip of the iceberg of the mind of the Finance Minister. I am quite sure that the tax evaders would suffer seriously at his hands and tax evasion would be an incidence of the past.

The tax authorities need to bestow their attention very adequately on vulgar display of ill-gotten wealth; conspicuous consumption need to be curbed to maintain social harmony. The vision of the Finance Minister to recast benami transaction Act would meet the objective which he has rightly set out in his Budget speech.

I would make one suggestion particularly so as to attract foreign exchange money to our country.

Non-resident Indians can be a valuable source of foreign exchange to our country. One thing which I could gather by discussing the matter with a large number of people is that if they are permitted to invest in our country, either in housing or other similar activities and if they are given concessions like concession on wealth tax, three things will happen; firstly, foreign exchange will come, secondly the housing activity will be put in motion which will generate employment; thirdly and the most important thing is that they will have psychological roots with the country of their origin.

Then, Sir, something needs to be done in the field of horticulture and animal husbandry and also towards the desert economy. I come from Rajasthan which is a desert area huding special attention.

A very good beginning has been made with respect to the employment guarantee schemes. Attention has been given to the drought prone areas where poverty is great. This is an area which if given attention would help us to meet the objective of right to work for every hand available. Sir, I represent the Jhunjhunu Parliamentary seat in the Lok Sabha which has the distinction of giving maximum man-power to the armed forces. People in my district, therefore, look to the Finance Minister to translate into reality the concept of one rank one pension. He has given an inkling in his Budget about it and I am sure greater dimensions would be imparted to it.

Of course, he has been kind to the housewives as nothing has happened to the price of Kerosene and LPG. I am afraid Price gap between petrol/Diesel on one hand and kerosene the other hand would proliferate adulteration of petrol/diesel by kerosene. Stringent measures need to be initiated to curb and eliminate this menace.

PROF. MADHU DANDAVATE: I must

go home safely.

CH. JAGDEEP DHANKHAR: One problem that will be there if the price of kerosene remains stand still is that it will increase the temptation to bring about adulteration. It will made adulteration very lucrative. Therefore, law enforcing agency would be required to gear up so that incidents of adulteration is seriously reduced.

Sir, I am sure rural industry will get a serious fillip on account of re-introduction of capital subsidy.

Sir, I am grateful to you for having given me time to speak.

SHRI DHARMPAL SINGH GUPTA (Rajnandgaon): Mr. Chairman, Sir, it has fallen to my lot that when I am about to open my account in this august House, I am required to defend this Budget, which to my knowledge has been the most talked about budgets if not criticised in the last so many years.

17.09 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

When I say this, I mean to say that most of the previous budgets were either called good budgets or bad budgets. The majority opinion was either for good or for bad but this is one of the budgets where different cross-section of society the spectrum of which range from economic and taxation experts like Nani-Palkiwala to various teachers of prestigious economic schools in our country to the members of Planning Commission; staff of the Finance Ministry stock market operators, transporters-auto and cab operators to the salaries and wage earners, from the housewives to the common men, are talking just as if they are not able to make up their minds whether it is a good Budget or a bad Budget. I may not be taken amiss because I want actually to learn certain thing as a person having keen interest in the economic affairs and taxation. I found certain thi Budget towards which I would

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like to draw the attention of the hon. Finance Minister.

Opinions are so much varying and there are some paradoxes which may lead many to wonder whether there are catches there in it. While economic experts who are supposed to know what industry, is what economic development is, they are saying that it is a static Budget, if not recessionary or regressive, the stock markets are booming which is puzzling the economic experts or who are supposed to know about the capital market, taxation laws and all that. Someone even said that it is an anti-industry Budget. Only the other day, Mr. Homi P. Ranena, who is also a taxation expert and supposed to be knowing about the economic affairs the country and probably the Chairman of a corporate body even went to the extent of saying that it is lucky to be either a politician or a farmer." In short, he said that it is anti-industry. But one the other hand in two or three trading session, the stock prices have appreciated by as much as 25 percent. The farming community is shouting that the National Front Government has watered down its original target of between Rs. 14,000 crores to Rs. 12,000 crores to a mere Rs. 2500 crores out of which the States' share is 1500 crores and the Centre's share only Rs. 1000 crores and that it will not even care for the fringe of our problem. The taxi, the truck, the cab and the auto-rickshaw operators are shouting or raising a hue and cry about the increase in petrol and diesel prices, while the passengers sitting in them and the goods that are loading in them, inanimate thought the latter are, are complaining that they are required to pay heavier fares or heavier freight charges. The individual tax payers are shouting that raising the exemption limit from Rs. 18,000 to Rs. 22,000 is an eye wash and it does not help them to any substantial extent looking the erosion in rupee value while the treasury is trumpeting about Rs. 250 crore relief that it has given to the Income Tax payers and the fact that one million assesses have gone out of the tax net. There is some paradox in it. The house-

wives are complaining that they are required to pay more for the taxis and trains and for practically every commodity due to the casting and yet they have to effect of budgetary likes and find it difficult to take these things in usual stride. It is probably because the present Government was in a position where it could do nothing better.

The scrapping of Gold Control Act is a very welcome step. The Finance Minister had the courage to do it. In our country, gold is not in excess supply over demands. Still, the gold prices are crashing. The stock prices are rising. The price of cement which was already over-burdened with heavy excise and input costs, has gone up from Rs. 75/- to practically Rs. 90 in the markets of Bombay and also in Delhi. These are the paradoxes that I talked of.

Similar have been the contradictory statements of members of the Government. The figures say that production of steel in the financial year 1989-90, during the last nine months from April to December, was a mere 6.43 million tonnes that is 3.2.% short as compared to the same period last year. A year prior to that, we had to import 3.352 million tonnes of steel at a huge cost of Rs. 1937 crores. The Minister of Steel was talking the other day in a sensitive city like Bombay, of decontrolling steel. In a situation of scarcity, I think such a step should not be taken.

As a member of the Consultative Committee for Steel, when I had asked a specific question of the Minister of Steel on the 29th January to this effect, namely whether there was any proposal before the Government for decontrol of steel, he had said positively and categorically said 'No'.

Mr. Deputy Speaker, Sir: the budget should not be only a jungle of figures less so jugglery of figures. It should actually tell us what the Government wants to do, towards the fulfilment of the aspirations and hopes of the people. The people have relied on our promises, and have given us the mandate, it is well-known that *Roti, Kapada and Makaan*

are the three basic requirements of a human being in India, or for that matter all over the world. Especially where they have been denied these basic necessities for the last 42 years of these basic amenities, it is the primary responsibility of the Government to attempt to provide them with these.

In the Economic Survey which has been presented to the House, we very disappointingly find that so far as *roti* is concerned the position has not been satisfactory. I think our friends on the opposite benches will lend their ears to me, and try to know the performance of their Government. In 1965, the *per capita* availability of total foodgrains was 480.1 grams per day, out of which 61.6 grams were accounted for pulses, and 418.5 grams were for other cereals. That figure, in 1989 that is after 25 years, has gone down in the case of the pulses consumption has gone down to 40.4 grams, and the other cereals up to 456.2 grams total 496.6 grams thereby increasing the *per capita* availability only by 1.5 tolas. If you take into account the wastages of the prosperous and affluent class, probably that also has not been offered to them.

As far as *Kapda* is concerned, in 1964-65, the net availability of cloth *per capita* was 16.8 metres; and after 25 years, it has decreased to 14.6 metres, a decline of 13% in *Kapda*. Regarding *Makan* that is housing, it is not there at all.

Urban footpath and slum dwellers are common sight and the poor men of the villages have no shelter of their own at all and that explains the very low *per capita* consumption of cement in our country, which stands only at 47 kgs. per annum. Clear drinking water is not available even to day to approximately 50 per cent of the villages.

In short, the poor becoming poorer, and the hungry is becoming hungrier, and the ill-clad is being stripped of whatever cloth is there on his body.

Irrigation in the last 25 years has in-

creased by a mere 2.4 percent. If I say that there has been a systematic and planned flight of wealth from the rural sector to the urban sector, it will not be an exaggeration. In 1951, the total networth of the Birla group was Rs. 51 crores which, in 1989, stands at Rs. 4500 crores. The Tatas; networth in 1951 was Rs. 106 crores; and in 1989, it is about the same figure namely Rs. 4500 crores.

The networth of Birlas has gone up 88 times and Tatas' 46 times. All those peasants who were owing 50 acres of land in 1951 are now reduced to the status of servants cleaning the utensils. This is a distortion which has crept in the last 40 years in our economy. Being faced with such a grim situation, I think it should be the endeavour of our Government not only to give a changed direction which it has tried to do in this budget and for which it deserves compliments. It has made work rural oriented. Although we realise that a vehicle taking 'U' turn, has to be slowed down. Looking to the grimness of the situation our efforts should not be confined only to resolutions and speeches and looking rural oriented. We have to do something substantially more about it. The Finance Minister in paragraph 27 at page 6 of his Budget speech has spelt out all he wants to do for the rural sector. I will be too glad if he points out while replying to the debate that I am wrong. But whatever I could find out for the "development of the agriculture and rural development", over what was already being done in the past, the result of which was all that I told just now while talking about *roti*, *kapda* and *makan*. He wants to increase the budgetary support for the Central Plan for these from 44 per cent to 49 per cent. If we go through the details given on page 7 in the Budget Papers under the heading 'Budget at a Glance' we will find that the total budgetary support for the Central Plan, as far as the capital expenditure is concerned, is only Rs. 8427 crores and revenue expenditure is Rs. 8917 crores. If we do not consider the revenue account because it mostly goes in consumption and consider only capital expenditure which generally goes in asset formation, then raising it to 49 per cent from 44 per cent

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accounts for only Rs. 421 crores which I submit in humility is too meagre a sum. Although I agree an effort has been made to change the direction, but as an immediate measure something more has to be done. Let us be serious about it and not leave it to the bureaucracy alone. They know only too well which side of their bread is buttered. There is a very strong anti-farmer lobby which is evident from the fact that when the Government, from the day of its taking charge expressed its intention of waiver of loan of the farmers, there was a lot of hue and cry right from the level of the Governor of Reserve Bank of India to a small peon who is sitting in the corridors of the Finance Ministry, right from a small Chamber of Commerce to ASSOCHAM, and FICCI, right from the Board of Director of the banking institution to a clerk in the Bank, that by such a step, the credibility of the banking institution would be at stake. How much has the Government and BIFR remitted by way of loan or interest or duties or bad debt of the industries in the last few years? If my memory serves me right towards the final days of Mr. Rajiv Gandhi, ITC excise duty, which amounted to about Rs. 1200 crores — I have read about it in responsible financial paper of this country — was settled only for Rs. 105 crores; Rs. 1100 crores can go away, can be gifted to only one company. This Rs. 1100 crore could have taken care of all the farmers' loan in two States. If you compare the figures that the Government has given to the big ones by way of various reliefs at various times and what they you will come to know what it is and to whose benefit the resources of and wealth of the country was being deployed.

MR. DEPUTY-SPEAKER: You please wind up.

SHRI DHARMPAL SINGH GUPTA: I want to get myself enlightened with regard to certain matters that are troubling my mind. The manifesto of our Party, and the substance of our election speeches were given to understand that in the rural sector unemployed youths will get immediate employ-

ment; and pending that, they will get unemployment allowance to the extent of Rs. 100 per month. I think there is no provision for that in the Budget nor is there any provision for old age pension scheme which we had committed to the electorates; we had said that, per person above the age of 60 will be paid Rs. 150/- per month by way of old age pension. It may be said that it is a State subject. But I do not find in this Budget any assistance to the States on this account. It is all right; it is a bold move and the Government must be congratulated for amending the Constitution and incorporating therein that work is a fundamental right of every citizen of the country. But immediately what needs to be done is what we, the members of all the non-Congress parties are committed to the people. I had given three examples, complete waiver of the loans of the farmers, unemployment allowance to the youth and old age pension to old people, above the age of 60 years. (*Interruptions*)

I am speaking in place of Mr. Vijay Kumar Malhotra. Therefore, I deserve to be given the full time that the opening speaker is given.

MR. DEPUTY-SPEAKER: There are so many people who would like to speak and I am sorry that party does not have much time.

SHRI DHARMPAL SINGH GUPTA: We have been talking about our effort to get out of debt trap. I am very sorry to find this is not in evidence probably the hon. Minister has not been properly advised about the relevant figures. You would notice that for the financial year 1989-90 our total liabilities amounted to Rs. 2,63,913 crores and at the end of the current year that is 1990-91 it would be Rs. 3,06,875 crores. The total liability over the total assets will go up from Rs. 56,500 crores in 89-90 to Rs. 71,500 crores at the end of 90-91. I would like the hon. Minister to enlighten me in his reply as to what he is going to do to get out of this situation. Assuming that all the loans and advances are good advances, even then we have increased our total debt burden by Rs. 15,000 crores in this year alone.

He has also talked about the public financial institutions. The public financial institutions to say the least—I think it will be an exercise in modesty—are vice-dens. People might have heard only about Reliance, Larsen and Toubro and Usha Rectifiers. Every week such ignominious activities are going on in the working of public financial institutions, especially the UTI. They jack up the prices in the stock market because they have interest in some big speculator they are playing with the investors' money. They can do anything. I may point out to this House that in the month of November and December 89, the prices of stock of at least 15 companies went up by as much as two hundred per cent and then they were off-loaded by the speculators who had made very very long positions in these scrips in the lot of the financial institutions, especially the UTI and S.B.I.

MR. DEPUTY-SPEAKER: You do not have this much time. You shall have to wind up.

PROF. MADHU DANDAVATE: I referred to this in my speech.

SHRI DHARMPAL SINGH GUPTA: I suggest that mere casual remark about accountability will not be enough for these people. Their habits are too much spoiled and they had casted of too much blood. When we say that autonomy should be there and that they should also be accountable. I suggest that the Comptroller and Auditor General should have the powers to go into their activities and they should be accountable to the C&AG.

MR. DEPUTY SPEAKER: I am not going to allow you to have any more points.

SHRI DHARMPAL SINGH GUPTA: I also suggest that just as the Government, for purchasing even small thing floats tenders and invites offers, the Finance Minister shall make it compulsory for the financial institution that when they go in for purchases or sales they should invite open bids or tender from the accredited brokers, just as is being done in foreign countries, examples of which

we are always giving.

I think the Finance Minister will attend to it. (*Interruptions*)

MR. DEPUTY SPEAKER: Please conclude. I have already warned you six times. There are many other Members to speak.

SHRI DHARMPAL SINGH GUPTA: I want to know from the Finance Minister how he is going to raise additional Rs. 800 crores from the corporate sector. The total direct corporate tax as projected for 1990-91 is Rs. 5289 crores. Due to the reduction of the maximum marginal rate by ten per cent, the effective reduction in tax liability works out to 18.28 per cent on an average, that is 18.28 per cent on Rs. 5289 crores which comes to Rs. 967 crores. This will result in a loss to the Government to the tune of Rs. 967 crores. The accretion to the revenue due to withdrawal of Investment Allowance, and sec 32 AB of the Income Tax Act, would be a maximum of Rs. 200 crores and the loss due to higher deduction, under Section 80 (I), from the existing 25 percent to 30 per cent would be Rs. 100 crores. I am afraid, the net of all changes in corporate tax structure would be a decrease of Rs. 800 crores, instead of an increase of Rs. 800 crores.

I am afraid, removal of Sec. 115 of the IT Act may bring some of the companies in zero tax slab. I suggest continuation of Sec. 115 J for at least two years more.

Sir, the Finance Minister and the Government of India were faced with a stupendous task and I think their best defence could be that they could do nothing substantial in absolute terms. They have given a direction towards the rural sector to begin with I hope that bigger funds will be made available to rural sector in times to come. I congratulate the Finance Minister for this and for some of the bold steps he has taken.

[*Translation*]

SHRI BALASAHEB VIKHE PATIL (Kopergaon): Mr. Deputy Speaker, Sir, the Budget for the year 1990-91 is being dis-

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cussed here. The hon. Minister of Finance has presented this year's budget with certain reforms, concessions and have increased the budgetary provisions. I would not, at the very outset, say that something untrue has been said in it because I have had a very close acquaintance with the hon. Minister and I know that he is a man of character. I hold him in great esteem despite being in the Opposition. He has shown a deficit of Rs. 13790 crores in December and later he put it at Rs. 18750 crores for the full year. Besides expenditure on certain heads has been cut down. I would like to know from the hon. Minister as to which are the items the expenditure in respect of which are the items the expenditure in respect of which has been cut down without having an adverse effect on development. Besides, what kind of policy is adopted in respect of deficit in December every years. Rs. 7300 crores or more has been shown as this year's deficit. I feel that Rs. 100 crores as the provision for D.A., Rs. 1000 crores for writing off loans and the amount earmarked for the natural calamities is not adequate. It has been a practice with every ministry to demand more money from the Planning Commission than it actually requires. I would request the hon. Minister to earmark more funds for this purpose. When we talk of natural calamities, mention of crop insurance must be made as it is linked with it. I shall come to this point in a shortwhile from now.

The hon. Minister has raised the income tax exemption limit from Rs. 18,000 to 22,000. However, when he was in the Opposition, he had demanded the exemption limit to be raised to Rs. 30,000.

I do not say that the exemption limit of income tax be raised to Rs. 30,000 but I fail to understand the rationale behind raising it to Rs. 22000. However, if it was raised to Rs. 25,000 or so, it would have been brought some relief to the salaried classes.

The Budgetary provision for providing telephone facilities to rural areas is quite

adequate. I suggest that similar provision should also be made for providing television facilities in other areas. The Government has given concession in excise and customs duties on telephone equipments meant for rural areas. The benefit of this exemption should be reaped by other areas also as the telephone facilities are not available in the rural areas on a large scale and its working is also not satisfactory. I know that Telephone Department does not come under the charge of the hon. Minister but as long as he does not provide sufficient funds for this purpose, the network cannot spread further. Telephone is also one of the infrastructural facilities like railway and roads for the development of remote areas. Alongwith advancement of Science and Technology, we must provide more telephone facilities to villages. Allocation for Doordarshan has also been increased this year. I want that efforts should be made to provide second channel in each state. The hon. Minister concerned has also said that there should be at least 2 relay centres in each district so that more and more programmes for the benefit of farmers, the poor and the artisans are prepared.

Now I would like to say something about industry. I have been hearing this thing for the last so many years that budget the Government, through is budgets, wanted to curb monopolistic trend in the economy of the country. But in practice it is quite the opposite. It has been a long drawn practice with big industrial houses that they obtain industrial licences in their favour but they do not use them for 4 to 5 years, as a result no new licences are issued to others. Sir, I have come across several such instances in which some industrial houses have obtained licences for a number of items in the names of different members of their families showing that they are a divided family. They do not make use of them for 3 to 4 years. They neither start production in the industries nor take any progressive steps. They may take some more years to set up the industries and by that time the establishment cost of the industries will go up. In order to avoid such a situation, I request you to take firm action against such defaulters. You should not

hesitate to cancel the licences of those persons who managed to get the licences but the not start work on them. These licences should be awarded to new aspirants. It hardly matters whether the licence holders belong to the Tatas or the Birlas or the Dalmias. The persons who obtain licences in this manner are monopolising the economy. You have to pay attention to this otherwise prices of commodities will go up. You said that the present Government would not allow the permit system to continue. But you have not taken action against the persons who have already obtained permits and licences but have not yet set up industries.

Secondly, I would like to submit that except agriculture, there used to be sellers markets in all other sectors. It was agriculture produce along which has buyer's market. I want that industrial goods should also have buyer market. (*Interruptions*). The budget presented in the House does not ensure buyers' markets for the industrial goods also. Of course, some incentives have been given for stepping up production in small scale industries. I want to know as to when the people will have buyers markets for industrial goods as it will lead to competition among producers to increase their production. Today, you may take the case of automobile industry or for that matter any other industries, there are sellers' markets and sellers market alone for them. I request you to take immediate steps in this regard.

This time prices of petroleum have been increased. All of us have felt pinch of it. The Government increased the prices of petrol with a view to reducing its consumption. Do you think price hike will reduce consumption. Several hon. Members including me have raised this issue in the House. During the last 4 years import of petroleum has increased by 4 times and during the last 4 years prices of petrol have already been increased twice and it is third time that a hike in prices of petrol has been effected. But no effort was made to reduce the growing consumption and import of petrol. Through a number of oil refineries have been set up in our country, yet our consumption did not come down.

Then how can we expect that price hike will bring down consumption? In our country consumption of petrol is maximum in defence establishments followed by in the government department and the private companies. Efforts should be made to reduce the consumption of petrol in the public as well as private offices in which almost all officers own cars. You cannot effect a cut in the defence budget. I would like to make a suggestion in this regard. In our country we produce sugar in large quantity, with that production of molasses is also made large quantity. Industrial alcohol is made from molasses. We can draw a time-bound programme to convert industrial alcohol into motor spirit as it is being done in Brazil. In Brazil, they have succeeded in converting alcohol into motor spirit. This has helped them in reducing their import bill. Why do you not implement my suggestions? Sugar production is increasing in our country. The Government should give some incentives for the production of motor spirit from industrial alcohol. Nobody will have objection to it. This will go a long way in reducing the expenditure being incurred on import of petrol. The Government have not increased the prices of Naptha and Kerosene. But it hardly makes any difference. Naptha cannot be made without petrol and other petroleum products are made with the heap of naptha. As regards petrochemicals, I would like to point you out that at present a number of alcohol based industries have been banned. Of course, the Government has made some amendments in the list of banned industries.

I would like to make a submission about the prices of agricultural produce in the rural areas. I welcome the policy of the Government in this regard. Under the revised policy, the Government will increase the support prices of the agriculture produce with the increase in the general price index. For this, the Government will have to take care of agro-climatic condition of the area also, as cost of production varies from place to place. While the cost of production of sugarcane in Maharashtra is Rs. 248-300 per tonne, it is not more than Rs. 160-180 in Uttar Pradesh. How are you going to co-ordinate between

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all these factors. Until and unless the agro-climatic condition of a particular area is not taken into consideration for fixing prices, farmers will not be benefited. You will have to consider all these factors. Besides, there should be some linkage between crop insurance scheme and fluctuation of prices. Today crop insurance scheme is not applicable to all crops. I, therefore, request the hon. Minister not to leave this matter on the Ministry of Agriculture alone. The Crop Insurance Scheme should be made applicable to all crops including horticulture. Even people engaged in horticulture should not be put to any loss. Today crop insurance cover is linked with bank loans. But I feel that farmers of both the categories, one who takes the loan and the other who does not take loan should get the benefits of Crop insurance Scheme. The Ministry of Finance is totally opposed to such proposal. During the tenure of Shri Chavan also, I raised this issue, but the Ministry of Finance did not agree. Previously the people were not interested in taking loans from banks. But now there has been a change in their attitude and people are asking for loans. Waiver of loans scheme has also been introduced. The Government propose to bring an agriculture policy resolution in the House. It is a welcome step. But it should be revised from time to time. As regards waiver of loans, it has been stated that there has been a growth of 31.7 per cent in agriculture allied service last year. It is apprehended that a lot of irregularities will be committed while granting waiver of loans. It will also breed corruption. Complaints will also come to you. You are fixing a flat rate of Rs. 10,000 for both long term and short terms loans. But there will a problem to identify bonafide defaulters among farmers hit by natural calamities. In this context, I would like to cite the case of Maharashtra. The State experienced drought consecutively for two years. The farmers had to face a lot of difficulties in getting their loans re-scheduled. The R.B.I. issued guidelines for this. Thereafter, the NABARD also issued some guidelines. In order to avoid all these problems, the schemes should be drawn in

such a way so that there is hardly any scope to make the farmers defaulters. Otherwise, the loan waiver scheme will not serve any purpose. It is also a big problem. Waiver of the co-operative loans has been left on the discretion of the states. Though the co-operative movement runs smoothly in Maharashtra, Gujarat and Karnataka, they will face difficulty to bear the entire burden of loan waiver themselves. Their income is too meagre to bear all these burdens. The banks are central undertakings. You have not mentioned that the banks will not charge compound interest. You have to think about the compound interest now. The farmers should not be charged compound interest in any case whether they take loans for land development, mechanised farming or land reclamation.

In cooperative Banks and Land Development Banks, compound interest is not charged. Therefore, the Government have to think over it and for waiver of loans, the Central Government have to share the burden with the cooperative Banks. Otherwise the people will think that only those farmers who took loans from the Nationalised Banks have been benefited. Therefore, Government have to ensure that no harm is done to the cooperative movement. You are the supporter of Cooperative movement. You have advocated for Agro-processing on cooperative basis. The Agro-processing and Food processing are two different things because in food processing producers and processors are separate persons. In Maharashtra, the Agriculture Food processing means that a farmer himself does food processing and Agro-processing. The Government have tried to give relief to the rural areas, backward areas and remote areas. Places situated on the outskirts of the cities should also be treated at par with rural areas and industries set up there should be given all concession and facilities as are given for the industries set up in rural areas. At present, such industries do not get same incentives, as a result of which they suffer losses. Now the Government have said about the rural industrialisation which is a welcome step, and for this purpose provision has been

made for providing vocational and technical training to rural youth. Government will have to open more Technical Education Centres in rural areas to equip the youth with skilled knowledge. We all know that today on the one hand educated youth are not getting jobs and a large number of educated youth are unemployed, on the other suitable persons are not found for the industrial jobs. Therefore, there should be a linkage between the industry and development and the kind of education which we are imparting to our youth. We are talking about the new techniques, high technology and modernisation but for this propose, we need certain fundamental changes in our education system which is not being done. So long as we do not bring about changes in our education system, rural industrialisation will not be possible. The migration of the rural people to the urban areas will go on continuing and the urban problems will go on multiplying. Today, slum areas are increasing in metropolitan cities like Delhi, Bombay, Madras and Calcutta and the solution to this problem lies in rural industrialisation only. Therefore, technical education centres should be opened where they are most needed. Universities and Rural Technology Centres should be opened in rural areas because technology is not an universal phenomenon but different technology is required for different areas as per their local condition and requirements.

There is a mention about the Water conservation and augmentation of the irrigation facilities. You have made an employment guarantee scheme for drought-prone and desert areas. The water conservation technology, modern technology and augmentation of irrigation facilities in desert areas, drought-prone areas, cyclone and flood affected areas will increase the agricultural production but some incentive should also be given to the farmers adopting water conservations technology. Provislon should be made for long term plan, lower rate of interest on loans and more loans for them. The water technology increases the farmer's production. As you have also said that the food production is much higher in those

areas where irrigation facilities have been provided. But unless incentives are given for Water Conservation management and Water Use management, it would not be much beneficial to the people. The Government should provide incentive to the farmers in those areas where drip-irrigation canals are available and efforts should be made to provide drip irrigation facilities in desert areas also. Besides, the farmers, the State Government and the Central Government should also share the burden. Thus a project pilot canal should be drawn for the country, it will prove to be a boon in the desert and drought-prone areas and the migration of the rural people to urban areas will stop. Regarding the waiver of loans, several questions were put to the Finance Minister. I have asked about the number of industries which have been given remissions and the names of financial institutions who have given remission. To this, the Finance Minister said that:

[English]

Under the Banking Secrets Act and to maintain the banking financial institutions credibility, we cannot disclose the names.

[Translation]

If name of the industries are not disclosed, then I think, there is nothing to take ill of it if loans of the farmers are waived. I would request that if names cannot be disclosed here, at least every financial institution should submit its half yearly or annual report to the Finance Minister about the remission, so that the industrialists and the big Industrial Houses may not take undue advantage in the name of farmers. In this matter, I do not want to come in their way. One thing I would like to say that the Government have not provided any incentives for the farmers who want to export their produce. I want that the incentive should be given on the agricultural produce exported by farmers so that benefit of it should directly go to the farmers and not to the middlemen. So long as the farmers do not get benefit of the agricultural export, there will be no benefit to them in increasing their agricultural production. So the Govern-

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[Translation]

ment have to think over it. I shall come with more suggestions on it when the Agricultural Policy Resolution is to be discussed in the House.

Environment factor is neglected because of the economic non-viability. I shall talk to the Government on the subject when the project will come before it. I want that not only the clearance of the Department of Environment is necessary but

Mere talking about the rural development will not serve any purpose but we have to change the definition of infrastructure. Under the present definition of the infrastructure, facilities required for industrial development are alone taken into account and it does not include development of technical education, specialistic and expertise education which are essential for rural development. There is a need to include more items in the definition of the infrastructure because only roads, electricity, water and Banking system are not sufficient. We need to include more item in it for the rural development. Therefore, I would like to say that outdated definition of the infrastructure should be changed and improvement should be made in it.

[English]

Environment should be part of the project and economic viability should be contained in the project itself.

[Translation]

Therefore, I would say that the paper mills and other industries which are posing threat to the thousands of people should be dealt with sternly. The proposed facilities to the paper colour and jute industries should be enhanced. Soft loans should be provided for making paper and craft paper from the agricultural waste. Tax relief should also be provided for the jute, fiber and packing papers. These suggestions I would send to you.

Regarding the environment, I would give in writing also. In this regard, I would say that Government should think about long term loans and soft loans. Air and water are polluted due to emission of smoke from chemical industries, as a result of which the horticulture and the fertility of the land are badly affected because the boilers of the factories emit smoke containing some particles which not only pollute air but a layer of such particles is gathered on the earth and the plants, as a result of which fertility of land is badly affected. In technical language, it is called *Shukroto*. In such cases, the sufferer are the farmers, so they should be given some incentive and such industries should be dealt with sternly.

*SHRI NAKUL NAYAK (Phulbani): Mr. Deputy Speaker Sir, I rise to support the General Budget 1990-91 presented by Honourable Finance Minister Prof. Madhu Dandavate in this House. Prof. Dandavate has presented the first Budget of the National Front Government which is a balanced Budget. This Budget is very much different from the Budget presented by the previous Government in the past several years. In last 40 years no Government had given so much emphasis in their Budgets to the rural sector. A great emphasis has been laid on the development of rural areas in this Budget. As you know Sir, the rural people were very much neglected in all these years. The Congress-I Government had not paid much attention on the development of rural areas. Now our Government has made special provision in the Budget on the development of rural areas. Our people heave a sigh of

[English]

Take stern action against the industrialists.

relief after this Budget was presented. Therefore I said at the outset that this is a completely different Budget that the Budget presented in the previous years. I congratulate Prof. Madhu Dandavate for presenting such people welfare Budget.

Sir, this Budget has already created an impact on the stock market. There has been a sharp fall in the prices of gold as soon as the Minister made an announcement in his Budget speech regarding the abolition of Gold Control Act. Nobody had ever thought that the prices of gold will come down so soon. The taxes have been imposed in a very simple way. The increased taxes will not hit hard on the economy of the poor. "According to the trickle down theory the help is taken from the industrialists for development of the country. This theory proved to be a failure during last 40 years. This trend is reversed. Now it has been clearly reflected in the Budget. An attempt has been made by the Government to give certain tax concessions to the Industrial sector based in rural areas. This will go a long way in the growth of industry as well as in the upliftment of the poor people since the new industries will generate employment in the un-employed rural area.

Sir, ours is a agricultural country. About 75% of the total population in the country depend on Agriculture. The Congress Government had been taking credit for disbursing a token amount of loan to the farmers. But, the benefit has not reached them. The farmers were burdened with a heavy amount of loan. The condition of those people have not been improved. Now, our Government have taken steps to waive the loans of the farmers." The agricultural workers were not getting minimum wages. They were exploited by the big land-lords and middlemen. Now our Government is determined to free them from the clutches of the big land-lords. We are determined to free them from exploitation. The Finance Minister has laid a great stress on the Budget on the development of agriculture. The agriculturists and agricultural workers will be benefitted by this Budget.

Sir, the forest contractors were smug-

gling out the valuable forest wealth from our rich forest. The forest products were being transferred to the black-market by a group of anti-social element. Now our Government has taken a policy decision to save our forest resources from destruction. The Schemes are being launched for the conservation of forest.

The previous Government has not paid much attention on the spread of education. The illiteracy rate has increased in their time. The schemes launched by the previous Government for the development of farmers were not implemented effectively. The rural people were neglected in all these years. So, they wanted a complete change. They wanted a new set up of Government. Therefore they voted for the National Front to come to power. The electorates have played a significant role in the formation of our Government. This is a warning to the economic exploiters and power brokers.

Sir, the other day I was listening to the speeches on Motion of Thanks to the President for his address made by some Hon. Members of Opposition during the debate some of them were saying that the National Front Government has been set up on the support of communal and rightist parties. But I would like to tell you that all the political parties who are the partners of National Front Government have been extending their whole-hearted support to us. They have been supporting because we have a common programmes for the welfare of the people of this country. Sir, I would like to refer to some important points in my speech. Firstly an effort has been made in the Budget to curb the flow of black-money. Nobody will question if the black money is spent in the rural areas. Black money will come out and that will be diverted in the rural areas. The tax procedures have been simplified. For last 40 years a large number of people were not even getting a square meal a day. So, there is no harm if some people will have to pay tax. Those who are well paid and well to do must part with some amount of their earning as tax. After all they have some duties for the poor people in this country.

[English]

MR. DEPUTY SPEAKER: Mr. Nakul Nayak, you will continue tomorrow.

MR. NAKUL NAYAK: Yes Sir.

18.00 hrs.

MR. DEPUTY SPEAKER: Shri Nakul Nayak, you will please speak tomorrow. Now we will take up Half-an-hour discussion. Later, we will take up the Discussion on the Kashmir issue. I think, the Finance Minister want to make an announcement.

THE MINISTER OF FINANCE (PROF. MADHU DANDAVATE): Sir, on behalf of the Minister of parliamentary Affairs, I want to announce that we are taking up half-an-hour discussion just now and it is going to be followed by the discussion under rule 193 on Kashmir. It is likely that the discussion may take a lot of time. Therefore, the Parliamentary Affairs Minister wants me to inform all the hon. Members that arrangements have been made for dinner in the Canteen in Room No. 70 for Members and the press and Room No. 73 for all the staff members.

MR. DEPUTY SPEAKER: Now, we will take up Half-an-hour discussion. Shri Kalpanath Rai to initiate the discussion.

18.01 hrs.

HALF-AN-HOUR DISCUSSION

Power Shortage

[Translation]

SHRI KALPNATH RAI (Ghosi): Mr. Deputy Speaker, Sir, I would like to draw the attention of the hon. Minister of Energy, Shri Arif Mohammad Khan towards the power shortage. I am sure that the hon. Minister is

trying his level best to take the country out of this crisis but I would like to submit some facts before him. There is a wide gap between the demand and supply of power. That is why many States are facing power shortage. Except Maharashtra and Himachal Pradesh, all other States in the country are facing the problem of power shortage. The country has made tremendous progress in the field of power generation. At the time of independence, the power production in the country was 60 MW only which has now increased to 60,000 MW. Though the power production is continuously increasing in the country, but the demand is much higher than the supply. Even in Delhi, the capital of the country, we have to face the problem of power shortage because the power demand has increased too much in the capital. The Government have to take some concrete and time bound steps to correct the power supply in the capital.

Mr. Deputy Speaker, Sir, without power, the agricultural and industrial developments are not possible.

[English]

Power Department does not give employment. But Power Department creates employment.

[Translation]

The agricultural and industrial developments mainly depend on power. The National Front Government have said that half of the funds will be spent on rural development and rural development will be their priority, so I would like to know from the Minister of Energy whether power generation comes under Rural development head or under urban development head or what are the views of the Planning Commission about it? Hon. Deputy Speaker, Sir, I would like to know from the Government as to what was the objective of the Government in Seventh Five Year Plan.

Has the target been achieved or not? Would the hon. Minister apprise the House about