

their heavy industries, they acquire the land through State Government. In the same way, in Andhra Pradesh, the Central Government undertakings have acquired land in Rangagudam for National Thermal Power Station for fertiliser factory of FCI and in Vishakhapatnam for the purpose of steel industry by the Steel Authority of India and for some other industrial projects. The land holders are losing their livelihood. So to avoid this, the Central Government have issued directions to the Land Acquisition Officer and the concerned industrial units to give employment to the persons whose lands have been acquired. But the policy is not being implemented in Andhra Pradesh by the management.

In view of the above, I request the Government to give clear directions immediately to implement the previous orders of Government to give employment to land holders in such industries upto the level of officer rank to save the situation and to provide the livelihood to poor land-holders to save agitations and frustration among the land-owners (in public) which led to police firing in Vishakhapatnam recently.

12.34 hrs.

GENERAL BUDGET, 1986-87—
GENERAL DISCUSSION—
Contd.

[English]

MR. DEPUTY SPEAKER : Now we take up further general discussion on the Budget (General) for 1986-87.

Shri R. Jeevarathinam to continue his speech.

[Translation]

*SHRI R. JEEVARATHINAM (Arakkonam) : Mr. Deputy Speaker, Sir, Yesterday I was saying that I am honoured to participate in the QUIT POVERTY programme of our dynamic Prime Minister. I would like to point that the indebtedness of Central Government is mounting up. As on 31.3.1986 the internal loans would be of the order of Rs. 80,642 crores and the external

loans Rs. 20,950 crores. With interest liability on both, the total indebtedness is likely to be of the order of Rs. 1,62,462 crores. If we calculate the per capita indebtedness, as we calculate the per capita income, then it comes Rs. 2321 per head. For paying the interest on foreign loan, the Government is taking loan from abroad. Our balance of payments is also not favourable. Not even 1% of the Gross National Product is earmarked for the repayment of internal loans. I want the Finance Minister to give thought to the loan repayment problem and do something imaginative in this regard.

The Government have invested Rs. 40,000 crores in public sector undertakings. Only the I.O.C is making profit and all other undertaking are incurring losses. The accumulated losses of National Textile Corporation are about Rs. 800 crores. The backbone of industrial development is the public sector undertaking. The Finance Minister must ensure the profitable working of public sector undertakings.

About 400 big undertakings and more than 80,000 small scale units in the private sector are reported to be sick. A sum of Rs. 4000 crores of public sector banks are blocked in these sick units. In these circumstances how can the Government augment its resources without increasing the taxes? If necessary, I suggest that the Government should not hesitate to auction these sick units in the private sector.

Sir, the Indian economy cannot flourish on the crutches of ever-growing subsidies. During the past three years, the subsidy amounts have gone up by 40%. According to the Finance Minister, in the 7th Plan the subsidy will be of the order of Rs. 40,000 crores. In order to ensure that the prices of essential commodities do not go up, the subsidy is given by the Government. At the same time, the Government have invested several crores of rupees in procuring foodgrains and stocking them for any eventuality like drought and flood. About 200 lakh tonnes of foodgrains are in stock with the Government. You can imagine the blocking of hundreds of crores of rupees in this. It is time that the hon. Finance

*The speech was originally delivered in Tamil.

[Shri R. Jeevarathinam]

Minister plans to do something about the ever increasing subsidy that is crippling the economy.

According to the Finance Minister, in 1985-86 the collection of income-tax showed an increase of 36% and the reason for that is reasonable rate of income-tax. But in 1974-75 and 1975-76 the collection of income-tax shot up by 34% even without any reduction in the rate. But in 1976-77 the collection decline. It may happen similarly in 1986-87. The vigorous collection efforts launched in 1985-86 should continue in 1986-87 also. It is understood that huge amounts of income-tax is due from public sector undertakings like BHEL, IOC, ITI etc. Similarly, a sum of Rs. 1000 crores is due from private sector companies and industrialists. The collection of income-tax should be intensified.

Sir, the hon. Finance Minister has raised the standard deduction of Rs. 6000 to Rs. 10000. But the price-rise has offset this benefit. Hence I suggest that the income-tax exemption limit should be increased from Rs. 18,000 to Rs. 20,000. By this, the revenue is not going to be very much affected. I welcome the increase in the rate of interest on Provident Fund to 12%. I take this opportunity to suggest that the interest rate on savings bank accounts should also be increased from 5% to 8%. The interest rate of 8% on one-year Fixed Deposits should also be increased to 10%. This will incentives for savings among the common people.

The unemployment among educated young men is increasing in alarming proportions. There is widespread frustration among the graduates who are unemployed. The Government must curtail its expenditure substantially. The extravagance of public sector units should be curbed. Through incentives and inducements, the black money should be put into productive use. The savings attitude of the people must be encouraged. By setting up industries in rural and semi-urban areas, employment opportunities must be generated fast. The younger generation have reposed their faith for prosperous future in the dynamic Prime Minister Shri Rajiv Gandhi. Their hopes should not be belied.

Before I conclude, I would refer to the recurring rumours about the impending closure of small Services Industrial Institutes in southern region. When the Finance Minister in his budget has given fillip to small industries by setting up a separate fund in I.D.B.I. At this juncture it will be unwise to wind up these Institutes. I demand that they should not be wound up at any cost.

With these words I conclude my speech.

[English]

SHRI SUNIL DUTT (Bombay North West): Mr. Deputy-Speaker, Sir, I stand before you, in all humility, overwhelmed with the feeling that on this sacred place stood, before me, those great leaders, thinkers and patriots who have moulded Indian history.

Sir, I thank you very much for the opportunity given to me to air my views on the Union Budget 1986-87.

And I am more happy for it is going to be my maiden speech since I become a Member of Parliament. For one year, I was silently and patiently sitting in this great House, listening to my worthy colleagues and senior parliamentarians, expressing their views towards building a great India, a great country. I request all my colleagues, to bear with me the same way, as I did for them the entire year, because my speech is a little lengthy.

We have heard so many Members speaking on this subject. Learned Members have enlightened the Assembly with their expert views.

Sir, it takes months for the best brains in the country, drawing richly from our previous experiences, to produce a well defined, balanced budget—which at least to them appears to be better than the last one—yet they come now here near to producing a perfect one, acceptable to all classes of our country.

Can any one produce a budget which does not affect any class of people and still run a country? We have to run the country, and taxes are our mainstay. Only a magician

could produce the kind of budget some of our Members want. Magicians are famous for creating illusions and that is what they are good at. They make a poor show when it comes to reality. Sircar and even the great Houdini made a living not from the currency notes that they produced on the stage, but from the humble helpings that they made into the pockets of people who come to them to be charmed.

No Finance Minister can make a Budget which does not, in some way or other, in some measure or other, goes to the pocket of the people, which does leave all classes of people untouched.

Therefore, our conceptions of a good Budget have to shed some of its myths, some of its frills. Its focus should be on the welfare of a country, especially the poor and downtrodden. Wrap it in the long range policies of the Government, but only properly, judiciously.

By all means, go for their pockets. But tax collection should be more selective. We should be very firm on which class to hurt most. It should be done with a delicate hand. You should know how far to go and when to stop. Feed the cow so that she gives you more milk, but never whip her to get more milk out of her.

During my recent visit to Bombay, a hoarding caught my eye. It was an advertisement for a popular brand of butter and the message was clear. I quote :

“STOP V. P. ING (WEEPING)
ABOUT THE BUDGET AND SING”
‘Un-Quote’

Unfortunately, Sir, you won't allow me either to weep or sing in this Great House. But you will certainly permit me to speak, and to speak on a subject which has not even found a mention in the Hon'ble Minister's Budget Speech. He cited all classes of this great country—from the richest to the poorest; he voiced his concern for the commonest of common people; he named almost all trades; industries; products from cigars to cigarettes and cheroot, but sadly, not the film industry.

The Indian film industry which is one of the largest in the country...*(Interruption)*

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : It is very similar to our profession.

SHRI SUNIL DUTT :...employing ten lakhs people on permanent and other basis, with an investment of Rs. 2,150 crores, and which shells out nearly Rs. 500 crores in the shape of different taxes to the Government treasury every year, is a non-entity. No mention in the budget. No relief.

But the hon. Minister did not really surprise me. I knew it was coming. I knew it at the time I watched him on TV when he advised his beloved wife how to get over the price hike and suggested her not to go to the movies that she was doing once in a week, and save Rs. 6 which she can use in other household needs, forgetting that how the hon. Finance Minister was going to tackle the deficit of nearly Rs. 400 crores in the revenue of State Governments (which they raise as entertainment taxes directly) which they would naturally seek from the Centre. The hon. Minister, however, did not suggest not to take alcohol, cigarettes, tobacco—which are clearly health hazards.

I am not trying to divert the attention of this august House from more pressing matters before us to the plight of film industry which some may call trivial. But the film industry has volumes to tell, bitter experiences, stories of woes.

I am making a plea for the existence of an industry that has given so much without taking any. Which media generates so much warmth and goodwill, spreads art and culture of our country abroad ? Who brings so much prestige and laurels for the country from the international forums with very little efforts from the government ? Who could ignore the contributions made by the doyens of Indian films of yesteryears, people who nourished the industry with their life-blood and faded away into oblivion, stars that still glitter on the firmament of Indian filmdom—Mehboob Khan, Sohrab Modi, Hamansu Roy, Devki Bose, S. S. Vassan, A.V.M. Chettiar, Prithvi Raj Kapoor, Moti Lal, Chander Mohan, Uttam Kumar and lately Sanjeev Kumar ? Others who came in the footsteps of the pioneers have done equally well; brought honours for the country—Shanta Ram, Raj Kapoor, Satyajit

[Shri Sunil Dutt]

Ray, Mrinal Sen, M.G. Ramachandran, hon. Chief Minister of Tamil Nadu, N. T. Rama Rao, hon. Chief Minister of Andhra Pradesh, Shivaji Geneshan, Rajkumar of Karnataka, Prem Nazir of Kerala and many more.

A name stands out—the greatest patron of Indian Cinema : Pandit Jawahar Lal Nehru. At an age, when cinema was considered an evil, its artists held as outcaste, shunned by the society, looked upon with scorn, it goes to his vision for his discovery of this great medium; of its importance, its sheer power and vitality to project social and national issues effectively; to entertain and educate the illiterate masses of his beloved country.

Panditji, our greatest parliamentarian, with the true passion of a reformer, took the artists into his fold, instilling a new life to the moribund small group. He publicly solicited the company of film artists—radical and iconoclast that he was—when the industry was only emerging from its birth blues. He nurtured, pampered and guided the weakling, sick child, all the way till it attained the respect and prestige it enjoys today. It was during his term in office that a delegation of Indian film industry was sent to Moscow, way back in 1952. And rest is history. For the next 30 years Russians hummed Indian film songs.

A similar delegation was sent to USA, Middle East and Africa. Africans today learn Hindi to sing Indian songs. The great cultural thrust that our country made in the 50's could be rightly attributed to the films of this period and what Panditji had done for it. If Indian film industry is what it is today, it owes to this great man. If I stand before you as 'one from the film industry' addressing this august House, the credit goes to his great vision.

I pay my glowing tributes to Pandit Jawaharlal Nehru. And the people of Film industry never forgot him; they never lost sight of his dreams of a Great India, Secular India, United India and Progressive India.

Cinema has contributed richly towards national integration. If Hindi is understood throughout the length and breadth of this country, it owes partly to Hindi cinema. If

people croon Hindi songs in the unheard of places, it owes it to nothing else but Indian Cinema. In the lore of Indian cinema, some need special citation. Films which tamed such social ills, dowry, widow re-marriage, untouchability, the plight and rehabilitation of our hapless sisters who languish in brothers. These films told it a hundred times more eloquently than any other media.

Nothing gladdens the heart of a jawan, tired and war-weary, as the sight of the lovely heroine of silver screen, performing, crooning and dancing; just for him, only a few metres before him in all flesh and blood. Only a soldier could tell you how he must have felt. The sense of belonging, caring, the boost of morale that enthuse him to take up arms and fight for the defence of motherland. We had done it every time our jawans donned their combat gears and went to the borders.

In the times of natural calamities film industry stood with and shared the misery of the people who became the victims of nature's fury. They raised money vital for the rehabilitation of the poor people uprooted from their habitats and belongings, to rebuild their devastated fields, to sow new seeds, to begin new life, new hope.

I want the hon. Minister and respectable Members to shed their notions, prejudices about the film world—of the glamour, flash lights, lavishly mounted settings, VIPs basking in the reflected glory of bejewelled ladies—whatever they are, and please listen to me with an open heart. I want you to take a journey through the backyards of film industry, the lacklustre, dark alleys which you have not known; the seamy side of this world which was kept away from you all the time by the blinding glare of flood lights. You won't see there only Ashok Kumar, Dilip Kumar, Dharmendra and Jitendra. They are not the film industry. They are the products of the film industry.

You will see there thousands of employees who sweat out behind the camera for a living. You will see the clapper boy; the light boy; cameramen, dance, costume, make-up, set, sound, stunt, light assistants; extras; dialogue writers; sound recordists and scores of others who work away patiently, as hard as anywhere else, to eke out a living for themselves and their families.

Life in the film industry is not all that rosy as it is painted in the media; the glow and glitter that catch our eyes in the glossy magazines. Inside the Showbiz is a grim story, a different story, far different.

Scores of people, brilliant stars, unsung artists perished here. Perhaps you don't know, Motilal and Chander Mohan, two great stars of yesteryears, died as paupers. Take the case of our great artist Meena Kumari. Her car and flat were auctioned by the Income-tax Department to recover her taxes, after her death when her flat should have been declared as a memorial of that great tragedy queen of Indian Cinema.

Now just look at the facts how big is the Film Industry which did not even find a place in the Budget speech :

| | |
|--|-------------------|
| 1. No. of films produced in 1984 | 833 |
| 2. Box office collection during the year | Rs. 451.79 crores |
| 3. Entertainment taxes collected | Rs. 330 crores |
| 4. Other taxes (Approx.) | Rs. 100 crores |

This Industry employs 3 lakhs people on permanent basis, 20,000 on casual basis and 5 lakhs in other places associated with film industry. It provides living for 10 lakhs of them, some in such unlikely places like cycle-stands, pan-cigarettewallahs, hawkers outside Cinema Houses all over the country; bill stickers, printers, publicity agents and hoarding makers, including the rickshaw puller who drops a couple after a night show—the poorest of the poor.

And the number of cinema theatres spread over the country (as on 31-3-1985) is 12,448; the number of people who make a beeline for these theatres is an incredible 1.3 crores—every day.

Compare this 1.3 crores of people to the less than 1 crore of people who travel by the great Indian Railways every day. A work-force of 17 lakhs wait on them round the clock. They have a full-fledged Ministry for long. Government has put an impossible 10,377.3 crores in this sector. This Depart-

ment has the best means of income in the country. Yet for all its mammoth size, frills, last year they brought to the exchequer exactly 270.10 crores—as compared to the 500 crores that film industry had contributed to it during the same year with no financial involvement of government, the whole of 2,150 crores of investment in the film industry (1,600 on theatres and 550 on others) having been raised entirely by the private sector over the years.

I know my comparison is not good, but it is not absurd either. I only wanted to drive my point to you—of the Government's apathy to this industry.

Some more statistics if the story of film industry has started to amuse you :

1. Film production cost Rs. 250 crores 1984-85
2. Import of feature films 100 Nos.
3. Import of raw cine films (canalised imports) Rs. 9.10 crores.

The number of film magazines are a staggering 500 in all languages. Did anybody doubt our literary? Apart from that, magazines, newspapers devoting a page to films are about 1,800. These columns are very popular. So the 500 magazines dealing exclusively on films provide jobs to thousands more—the staff, writers, photographers, printers, bookshops etc.

Apart from the above, there are over 60,000 video parlours/theatres and about 30,000 video libraries in the country, who also depend heavily on film industry, though illegally. Believe me, but it is true. A plastic case anything 3×7 inches in size, weighing anything 150 grams is tolling the death of a giant industry.

An astronomical sum of Rs. 1,000 crores is involved in the video piracy racket. Video shops are money minting centres. They operate everywhere in the country and generate a glut of black money.

The pirate racket is draining the country's economy profusely. If this Rs. 100 crore is funnelled into the legitimate earnings of film industry to which it rightly belongs, just reckon the size of revenue the government could pocket.

[Shri Sunil Dutt]

Besides, the pirate network is nailing the coffin for over 12,000 cinema houses across the country, which are doing legal business; and the lakhs of people they find employment.

A few of you might know, Annuity is a scheme introduced by the Government same time back to channel the earnings of film professionals into nation building efforts. This was also a ploy neatly disguised to mop up black money from this sector of professionals. Under this scheme a producer deposits portion of remuneration payable to the artists direct into the LIC where it is funnelled off into for development activities of our government. We are only glad. And when the money is repaid at the end of a term it is duly taxed. We have no grudge. All fair and justice. Law of the land. But that was in the beginning. Taking inspiration from a most unimplied implication from a Supreme Court case *CWT (Orissa) vs. V.R. Badrinarayan Moorthy Raja (1985)*, they have started happily taxing the annuities, *i.e.*, the outstanding remuneration. Their logic: they think the outstanding remuneration in the annuity scheme amounts to one's wealth.

I am not going into details. The case in question is very familiar to the Government. There have been many petitions to the Government, and from Government, some tart, evasive replies.

But is it right to tax a wealth which is no wealth, which has virtually of no use to the owner? Once the money is thus parted, it goes for good. The owner does not see it again until the money is due for repayment years later. During all these years the owner of the money has no right on this money, no use whatsoever. He can't raise a loan on it, no bank would give a loan on the surity of this so-called wealth. On the contrary, if he owns a house, a car or jewellery, he can do all these and more. These are his wealth, rightly.

13.00 hrs.

Similarly, the film industry has been pleading for the last 20 years for a reduction in the exorbitant excise duty levied on release prints of feature films but to no

avail. The more prints you take, the higher climbs the excise duty. It can reach upto Rs. 30,000 per print which far exceeds even the cost of the print. Reduction in excise duty is essential to enable the producer to make more prints to recover his investment and to face the threat posed by video pirates.

In the new Budget, the custom duty on raw-stock has been increased. Similarly, the excise duty on exposed film has also been increased which together entails the film industry an additional tax burden of over Rs. 8 crores. If that is what the Central Government is doing, our State Governments are not doing any better for the film industry at their ends. In some States, the entertainment tax is as high as 180% of the value of ticket. Entertainment tax constitutes the largest single chunk of a ticket's cost. So, who is getting hurt? Who is being exploited? It is the poor—for whom cinema is the only source of entertainment.

Millions of rupees are spent from the national exchequer for the people's health, welfare, sports and education. If health and education are important, so is entertainment. Why do they deprive the poorest of the poor his only means of ready entertainment? Why do they rob him off his joy, a respite from all worldly troubles, sorrows, fatigue; a refreshment for his aching body and mind which he so looks forward to with much relish? Here I am reminded of a saying of the eminent philosopher Bertrand Russell:

I quote

"Leisure is an important of development and the development of leisure leads to development of economy itself." 'un-Quote'

In a nutshell, film industry is the most heavily taxed, most cruelly ignored and very badly misunderstood in the country today. Her plight is like that of a cliff-hanger we used to see in so many films of the past.

There was this lovely damsel hanging on to the cliff-edge, her strength straining, hands about to give away, gasping out her S.O.S! But who cares? The hero who if supposed to help her is engaged in a fierce fight to the end with the villain. But all the time we knew pretty well that the hero will overcome

the villain, fling him over the cliffside and rescue his lady just in time.

But hardly did the film industry know that one day she would be made to hang on to such a fate in real life. And while she is hanging, our hero, i.e. the hon. Finance Minister is looking the other way unconcerned.

SHRI VISHWANATH PRATAP SINGH : I am listening to your speech this way.

MR. DEPUTY SPEAKER : Mr. Daga is patiently listening to the whole speech.

SHRI SUNIL DUTT : Sir, film industry today is a cliff-hanger. Will she lose her grip, she is near to that, a deep gorge beckon her from far below from where there is no return. Does anybody listen to her heart-breaking cry of despair ?

Dear hon. Speaker, hon. Deputy Speaker, hon. Ministers and my hon. colleagues, I stand before you not as a film industry's spokesman but on behalf of lakhs and lakhs of people for whom the industry's downfall may spell doom. For a while, I have donned the cloak of a captain of this big beautiful ship, fast sinking. Somebody has to do the job. I plea for its rescue, like the legendary Moses who stood in the Court of the Egyptian Pharaoh to plead for his clans. I believe, it is providence that brought me to this high court of citizens of our great country so that I can plead for my people, who are not strictly the people of Indian film Industry but the entire people of the whole country, the poorest of the poor, the commonest of the commoner amongst them.

Kindly don't see this as a passionate stage act put up by Sunil Dutt. My heart wrings as I say this. I am pleading for an industry, profusely bleeding, fast slipping away to grave—to sing the requiem which none of us like.

My pleas are :

1. Give this industry a status of industry so that banks are empowered to grant loans for its projects.

2. Abolish wealth tax on Annuities of film actors and other film professionals. They should be treated at par with doctors, advocates, architects etc.
3. Excise duty on release print should be reduced so that producers could take as many prints as they want, to defeat video pirates.
4. Initiate a dialogue between Centre and States for fixing a reasonable rate of entertainment tax.
5. Formulate stringent laws for eliminating the video piracy racket from the country.

My plea is only for a change in the attitude, in the approach. A little more goodwill, encouragement for its sustenance and to keep it in place. Like in the last, most gripping scene of *THE DAY AFTAR*, the grave, chilling voice filling the frightful silence and darkness, I put this question across to the conscience of this great Assembly of Indian democracy. An SOS from the Indian film industry :

*"Anybody there? Anybody at all?"
Film Industry needs another Jawaharlal
Nehru*

[Translation]

***SHRI CHARANJIT SINGH WALIA (Patiala) :** Sir, the Finance Minister has tried his best to prepare the budget in accordance with the slogan of 'Garibi Hatao' but the whole budget is urban biased. The rural people, the agriculturists and the farmers have been completely ignored. We used to import foodgrains worth crores of rupees but now we do not have to do so. The farmers of Punjab have given a lead in this regard. They are the pioneers. They have produced foodgrains in such large quantities that India is now self sufficient in food. It is a bad precedent to announce taxes and levies before the budget. You have increased the prices of petroleum products, cooking gas and other essential articles at a time when their prices in the international market are going down. You have increased the prices and you claim that it will not add to inflation.

[Shri Charanjit Singh Walia]

But the impact of these prices will be felt after 4 or 5 months when they will shoot up by at least 20 or 25%. You have not thought of the farmers of Punjab and India. The Akali Dal and Sikhs of Punjab depend on agriculture and 80% of the people of India are engaged in cultivation. You have weakened the farmers of Punjab and crushed the farmer of India. You should have given more incentives to the farmers. You should have reduced the prices of his inputs, given him remunerative prices for his produce and also offered him incentives for diversification of crops.

13 07 hrs.

[SHRI SOMNATH RATH *in the Chair*]

In my opinion this is an urban biased budget. For a long time we have been hearing that the Government wants to introduce ceiling on urban property. Agricultural reforms are a good thing. You have introduced ceiling there but I do not know why you have not taken the most radical and progressive decision for erradicating poverty; that is to put ceiling on urban property. For this you should bring legislation at the earliest. I would submit to the Finance Minister that if the Prime Minister is sincere, if the Government is sincere, if the ruling party is sincere, the ceiling must be introduced. You should do this for the welfare of the people of India. Specially if you want to shatter black money and parallel economy, you must impose a ceiling on urban property and distribute all the money and property among the poor and needy people.

I think that our Government exercises discrimination against many sections and Punjab is the worst victim. Punjab has ushered in agricultural revolution. Now we are trying to generate as much power as we can. Punjab has exhausted all the hydropower potential. After that Punjab has set up two thermal plants but they are very expensive because the coal is too far away from Punjab. That is why what we need most now is atomic power plants. In July 1982 a central team had gone to Punjab to survey the feasibility of setting up atomic power plants and had recommended the

setting up of one atomic power plant at Patna in Patiala district and one at Chamkaur Sahib in Ropar district. I want to ask the Government why no action has been taken. Action should be taken in this regard at the earliest and the atomic power plants should be set up in Punjab.

Punjab has been a victim of a long chain of discrimination. You know what type of conditions are prevailing in India these days and what type of conditions were created in Punjab by the previous Government during the last 3 years. Sir, you know that a peaceful morcha was going on in Punjab in a constitutional manner. History and past record will bear me out that ever since the Akali Dal came into being in 1921, many morchas were organised for the freedom of the country and for the rights of Punjab and all these morches have been peaceful and non-violent. The present morcha was also non-violent. It is our principle and belief that there should be no violence of any kind. We have not indulged in any violence. The Government should appoint a commission to probe as to how extremism has been created and how terrorism has been generated. Some influential and political persons belonging to the previous ruling party and some other people created such an atmosphere which led to terrorism. Sikhs are neither extremists nor terrorists at all. For the freedom of the country we have made sacrifices which are greater compared to our numbers. When democracy was wiped out from India, the Akali Dal and the Sikhs fought vigorously to revive it. It was as a result of the Akali Dal morcha that democracy was restored. If today we are sitting here, hon. Member are sitting here, this is the result of the sacrifices made by the Sikhs and the Akali Dal. Whenever there was a foreign attack, whether it was from China or Pakistan we have fought and died and shed the last drop of our blood for the freedom of India. I want to assure you that we shall continue to fight for the freedom, unity and territorial integrity of India till our last breath and till the last drop of blood. But inspite of all this we are painted as extremists and patriots like us are dubbed as traitors of India. In the last Lok Sabha elections, the ruling party and our Prime Minister contested the elections on the basis of our Anandpur Sahib resolution and

created a type of atmosphere which they should not have.

We want that more autonomy should be given to the States. The two most powerful countries of the world, USA and USSR which have a federal character, have given more autonomy to the States and inspite of that they are very powerful countries. If India gives more autonomy to the States, how India can become weak. On the contrary, India will become strong and as powerful as those two countries. I would therefore submit that the States should have a greater federal character and greater autonomy. We should all make the States strong and by doing so make our country strong. It is possible if more autonomy is given to the States and I would request the Government to ask the Sarkaria Commission to submit its report at the earliest. After that, our Prime Minister who has initiative and dynamism and who is energetic but is surrounded by a powerful lobby, should take initiative in order to improve the atmosphere. He signed the Punjab accord as well as the Assam accord but they have not been implemented. He says that he is sincere and he will implement them. But I think that he is failing in his job. He is the only person who can get it implemented.

We have paid a heavy price. Our President who had signed the accord had signed it with his blood and had made a great sacrifice so that the atmosphere in India and Punjab could remain cordial. But now the whole responsibility rests on our Prime Minister who is the survivor of that accord. On 26th January Chandigarh was not transferred to Punjab and this is the greatest non-implementation by him. The more this matter is delayed, the more vitiated the atmosphere will become. Hundreds and thousands of innocent people are still in the jails. They are languishing in the Jodhpur and Ajmer jails. Simaranjit Singh Mann is in jail. Prof. Darshan Singh Ragi is still in jail. So long as these things are not rectified, you cannot with the confidence of the sikhs. I think that the ruling party and the Government should win the confidence of the minority. This will be a good thing to do. The ruling party is losing the confidence of minorities day by day.

Every day the law and order situation in Punjab is talked about. We suggest that you make a survey of all the States of the country, get the statistics, get the facts and then compare them. You will find that it is not worse in Punjab as compared to other States. There should be no killings, no political murders. But is there any State where killings do not take place? I don't justify it. But why Punjab is isolated? It should not be like that. When these incidents took place in India special laws were made for the sikhs, special courts were set up for them and the Evidence Act was changed. Is it not discrimination against the sikhs? Our hon. Prime Minister Madam Indira Gandhi was assassinated. It was a very bad thing. It was condemnable. No body on earth can appreciate it. But after that thousands of people were killed and butchered like anything in Delhi, Kanpur, Bokaro and all other parts of the country. May I ask FIR's against how many people were registered by the Government? How many people were convicted?

[English]

MR. DEPUTY SPEAKER : Please conclude.

[Translation]

SHRI CHARANJIT SINGH WALIA : Sir, I am the only member speaking on behalf of my party. How many people have been arrested? Every guilty perein is roaming about freely. No law has been made to deal with them and if at all any person was arrested under the law, no action has been taken. Is it not discrimination? These conditions can improve only if our Prime Minister implements the agreement made by him, I am surprised that some responsible persons close to him issue statements every day and are complicating the matter and putting the Prime Minister in an awkward position.

At the time of the Asian games all the sikhs were not angry but by insulting decorated generals, high officials and women on the way all the sikhs were made to feel angry. I would therefore request the Prime Minister to break the vicious circle of such persons, ask them to keep quiet and implement his own accord sincerely and in right earnest.

[Shri Charanjit Singh Walia]

We are being discriminated in the matter of water and industries. You have given 4 or 5 projects and you say that they will create employment opportunities but not even one percent Punjabis are being employed in the Central projects. Will the Government do something in this regard?

I request the Finance Minister and the Prime Minister that they should win the confidence of the sikhs. We have been great patriots, even today we are patriots and in future also we shall remain patriots. Even the last drop of our blood will be shed for the freedom of the country and we shall continue to fight for its integrity and unity. Have faith in the sikhs. Consider them as patriots and do not doubt their *bona fides*. Our President Longowal Sahib has sacrificed himself in an effort to make the atmosphere in the country genial. The Prime Minister should implement the accord in all sincerity and smash the vested circle both administrative and political, which is coming in the way of implementation. With this request I oppose this Bill.

SHRI TARIQ ANWAR (Katihar) : Sir, at the outset, I would like to congratulate the Finance Minister for the commendable attempt which he has made in the present circumstances and if he is not appreciated for that, it would be injustice with the Finance Minister.

The budget is of course a balanced one, but along with that it is aimed at the achievement of the objectives about which our Prime Minister, Shri Rajiv Gandhi, had made a commitment to the poor people of the country during the last elections. It is a step in that direction. We especially appreciate the Finance Minister that he has tried to touch every section of the society that has remained backward due to one reason or the other and that could not get opportunity to live in the society with the prestige and dignity that they had expected.

Especially, the increase effected by the Finance Minister in the allocation for the anti-poverty programme by 65 per cent indicates that the Government do not merely raise the slogan of removing poverty, they are really committed to the achievement of

this objective. Our late Prime Minister Shrimati Indira Gandhi had given the slogan of 'Garibi Hatao' and had started programmes to achieve this goal. I am thankful to the Finance Minister for laying more stress on those programmes and for taking steps and making allocations for their speedy implementation.

Alongwith that, under the 'Indira Housing Scheme', meant for the Adivasis and Harijans who have been shelterless for years together, a provision of Rs. 125 crores has been made. It is a very important step to benefit a large number of people by this Scheme.

Another new scheme has been introduced by the Finance Minister for riksha pullers, washermen, barbers, hawkers and other people who are economically weak, who are hard-working but are unable to do anything due to lack of resources. Under that scheme, subsidised loans would be presided to them which will prove to be very useful for them. By this scheme it will be possible to reduce unemployment in the country to a certain extent.

In our country, the small sector is an important sector. Whereas we are starting big industries under the public sector, the small scale industries are like the back-bone of the country. We are increasing our exports through the small scale industries, opening the doors for industries and avoiding concentration of capital in a few hands. The Finance Minister has granted concession in excise duty by which approximately 85 per cent of the small scale industries in the country will be benefited.

It has been said that our Government have been paying more attention to the private sector and have been sympathetic towards them. This budget has proved as to how we had started the public sector and how we have been strengthening our public sector since independence of the country. In the present budget, an increase of 20.5 per cent investment in the public sector indicates that we want to strength this sector.

Besides, infrastructure is essential for the development of any country. If we have ample infrastructure, we can easily make

progress in the field of industrialisation and in other fields. Energy, Railways, transport, etc., are the basis to strengthen the infrastructure of our country. Taking these things into consideration, this budget has been presented and there will be an increase of about 23 per cent in our infrastructure. It is a useful step for the progress and development of our country.

We also find that the children of the capitalists, politicians and of the privileged class people can study in the Public Schools and receive good education. But the poor living in the backward areas have no means to provide good education to their children. I would like to congratulate the hon. Minister for introducing a new scheme of opening Model Schools for imparting education to the children of the poorer sections of the society and allocating Rs. 25 crores for this purpose.

In our Seventh Five Year Plan, special emphasis has been laid on Human Resources which includes education, health, women's welfare, culture and broadcasting. About 40 per cent more funds have been allocated for this purpose. All these things clearly show that the present budget is a balanced one and efforts have been made therein to benefit the poor and the backward people of the country.

In the end, I would like to give one suggestion. The hon. Minister has exempted the bulk drugs from excise duty. Its purpose, I think, is to help the poor who are unable to afford medicines, but it appears that this will not be helpful to the poor to the desired extent. You have exempted about 41 bulk drugs from excise duty but have raised excise duty on other drugs by 2 per cent. You have exempted excise duty only on the life-saving drugs which are not commonly used. The life saving drugs are rarely required by the people in life, whereas the medicines of daily use for minor ailments like fever, cough, cold, etc., are generally needed by the poor people and they face difficulties in purchasing them. Hence, I would like to request the hon. Minister to exempt the medicines which are of daily use for small ailments from excise duty so that the poor may be able to afford them.

With these words, I once again congratulate the hon. Finance Minister for presenting such a budget and I thank you also.

[English]

SHRIMATI SHEILA DIKSHIT (Kannauj) : I rise to support the Budget presented by the Government for the year 1986-87 and to specifically congratulate the Finance Minister for having produced a budget with an anti-poverty thrust which will translate the resolve of this Government to eliminate poverty. The hike in allocation by 65 per cent of funds to the anti-poverty programmes (which were frozen last year) *i. e.* IRDP, NREP and RLEGP and the like is a very heartening feature. Government's commitment to the improvement of the lot of the rural poor and strengthening of rural infrastructure towards better growth of agriculture has been assuringly and adequately reflected. Another major worry which was exercising the brains of many was the fear of the possibility of collection of adequate resources to fund the Plan. This also has been belied as the Central Plan is to be stepped up to Rs. 22,300 crores, *i. e.* by over 20 per cent. Yet another area of concern and doubt was the quantum of assistance to States, specially by our worthy colleague in the Opposition. This also has been provided for by a 21 per cent hike in assistance for Plan Outlay to States.

What is most reassuring is the fact that the new and revolutionary direction given to the nation's Fiscal Policy last year, continues. There is no retreat from the liberalisation and rationalisation of fiscal measures initiated and announced last year.

Lowering of tax rates for better compliance and tightening of tax administration has obviously paid. Figures estimate rise in revenue by 24 per cent in 1985-86, the largest ever rise, I believe in a single year. Income Tax collections too have registered a 36 per cent increase. For both, the Finance Minister needs to be applauded.

Taxes for collection of needed revenue have been rightly imposed on luxury items like cars, air-conditioners, etc. On the other and needed concessions have been announced to give relief to and a boost for the growth of small scale units and the crucial handloom

[Shrimati Sheila Dikshit]

sector. Industry and business have been given relief by way of simplified levies and production inducing incentives besides concessions in Wealth Tax and computation of capital gains.

All this apart, the budget also reflects a strong emphasis on industrial growth with special reference to public sector performance, a concern and a commitment which has so often been voiced by the Prime Minister.

Several suggestions come to mind. But I would like to put forward for the serious consideration of the Finance Minister, a request to ensure to evolve mechanisms that all programmes and schemes launched in the name of IRDP, RLEGP and NREP are well conceived, well-planned and well chosen right from the district level. Above all, it must be ensured that projects are faithfully and actually implemented. Funds released for projects must not be allowed to enter the market as just money supplies. Tangible and real assets must be created. One of the major causes for non-implementation, non-creation of assets, besides other several well-known ones to all of us, is the delay in the release of funds. March descends upon districts like anemesis, funds are suddenly released for the various projects and schemes, but what is more absurd, these funds are required to be spent before the D-Day, *i.e.* 31st March. Suddenly targets are to be fulfilled, to be achieved and they are, but on paper! The Finance Ministry must ensure a steady and continuous release of funds and their reaching the target well before the deadline. Attention must also be paid to local availability of adequate infrastructural services and conditions to complete projects.

In the area of indirect taxation, the Finance Minister has correctly taken measures to stem the cascading effect of taxation. The introduction of MODVAT is laudable. But its relief must not be nullified by its mechanism. Its benefit must reach where it is intended to, *i.e.* to industrial units under the small scale sector and more importantly to the consumer. An innovative and pragmatic approach ensuring these two objectives as applied by you, Hon. Finance Minister, to direct taxation is called for in indirect taxes also.

The withdrawal of the benefit under Section 80M of Income Tax Act is causing some misgivings. It must be carefully examined to ensure that investments specially by medium scale industries do not get diverted from the priority sector where returns are normally low, to non-priority high profit yielding areas. The same vigilance, I believe, and would like to suggest should be exercised in the operation of the Funding Scheme. The temptation to make full use of the scheme of deposit with the IDBI first before investing may slacken the pace of growth. The absence of an urgency to invest and instead avail of concessions could result in slowing investment into industrial ventures.

Whilst every effort has to be made by the Government to collect taxes and create an atmosphere whereby evasion is considered a genuine and inescapable crime, there is need for combining firmness with test. In this context, I would like to suggest for the consideration of the Finance Minister the recruitment and involvement of women officers in this thankless job specially trained for the purpose. I am confident, women officers will exercise and give to the raids and other similar exercises officers just that touch of the special talent which combines sagacity with resolve.

In conclusion, I would like to say that last year's budget created a prelude to rapid growth with savings. An unpremeditated and phenomenal boom in investments involving and attracting even those sections of society which had hitherto never concerned themselves with purchase of shares and investment in industry was witnessed.

Given the will, I reiterate the will this enormous potential can and will turn our economy into a sustained growth of output and employment, based on a just, social and equitable order.

SHRI JAGANNATH RAO (Berhampur).
Mr. Chairman, Sir, the Central Budget is not a mere statement of Receipts and Expenditure, but an instrument of economic growth. Viewed in this context, the Budget of this year is a continuation of the Budget of the previous year and a projection of the Budget of the next year. Our economy was strengthened by a series of Five Year Plans and it become self-reliant and self-

generating. We are able to raise the resources—the internal resources—for our plans though to some extent marginally, we have relied on foreign aid. So, the responsibility is now greater on the people of India to contribute their mite for the successful implementation of the Plans. Sir, the revenue collections last year have been phenomenally higher. There was an increase of 37 per cent collections, highest in the recent decades. That shows with the tax structure which has been amended or modified last year, has borne fruit. But at the same time, raids are being carried out on suspected persons, businessmen and tax-evaders I welcome this. But in this process some indiscrimination also is being shown and without proper care, searches are made.

I know of a case where District Court Lawyer in a mofussil was also searched. He is nothing when compared to smugglers or blackmarketeers or tax-evaders. The search revealed only a sum of Rs. 3,000 in the House. Therefore, I say that more care should be taken when information is received by the Department about such persons.

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH) : May I inform you that we are doing an exercise of laying down the ground rules for such instances. We are coming with the ground rules and we are making this exercise.

SHRI JAGANNATH RAO : You said that yesterday. Thank you, Sir, I don't suspect the motives of the Department, but only bound to be...

(interruptions)

SHRI VISHWANATH PRATAP SINGH : We are taking care of that.

SHRI JAGANNATH RAO : Sir, last year, I think the Finance Minister said, payment of Rs. 10,000 or more, should be by way of cheque and not in cash. I would like to know if the Income Tax authorities while scrutinising the returns of assesseees have been able to find sums beyond Rs. 10,000 which were received by the assesseees by way of cheque or in cash? There are leading professional people, such as Doctors, Lawyers, Consultants, Architects and so on in metropolitan cities. I would like to know whether the raids are conducted in the

premises of these big professionals and that would give us the clue whether the condition imposed last year by the Finance Minister is being followed or not.

Sir, agriculture is the base of our economy. It has done very well—exceedingly well. I remember the days in the 60s when everything was in short supply. It was an era of shortages. Agricultural production has now doubled, or even trebled. The credit goes to Punjab and Haryana. But other States have not increased their production to that extent. They have not even doubled it, not to speak of trebling. Steps have to be taken to see that all the States become self-sufficient and are able to create surpluses for their own purposes.

I can understand that during natural calamities the States can draw on the Centre for help. We are undertaking huge irrigation and river valley projects. I would suggest that unless they are multi-purpose projects like irrigation and power, hereafter our attention should be on minor irrigation such as tanks, open wells and so on.

I remember there was a scheme called the Small Farmers Development Agency about seven years ago, wherein for an open well with 20' dia., a subsidy was given to the persons. That well was able to irrigate ten acres of land. Four or five persons nearby can benefit from it, and loans can be shared by all of them, so that in India everyone will become a small or marginal farmer, and there will be no big farmer. Unless projects are there in the pipeline or in an advanced stage of sanction, hereafter stress should not be laid on big irrigation projects, because they are time consuming and require long gestation periods. Minor irrigation projects would minimize the delays, and the beneficiaries would get immediate benefit, i.e. within six months or one year.

Industry has also done well. We are now among the ten leading industrialized nations of the world. But while industry is doing well industrialists are becoming healthy, the units are made sick. This process should be reversed. I do not mind industrialists becoming sick, but not the industries. I think some steps have already been taken to prevent this sickness. Hereafter I believe

[Shri Jagannath Rao]

that with the modified instructions that have been issued already, things would improve.

The public sector is another headache. Though some have turned the corner, much remains to be done. Some are still in the red; and I do not know when they will break even and generate surpluses, so that they can be ploughed back into the industries, without much burden on the other resources of the country. This has to be borne in mind.

Our export growth is sluggish. It is not growing. Our import bill has gone up, apart from the oil bill, so that we have to see that exports increase, so that our balance of payments position will not be as it is today. Oil imports are, of course being reduced. But the consumption last year has been, I think, 60% more. That is why there were the additional imposts on petroleum products, diesel oil etc.

But with regard to traditional items of export, viz. coffee, tea, cardomom etc. we will find it difficult to export them, because there is a big competition in the world. There is also a recession in the world, and the protectionist policy followed by the developed countries. That is a big handicap. It is a big challenge I do not know how Government is going to meet this challenge.

One way is to cut down on imports. We have given so many incentives to the exporters in respect of imports. They can import raw materials even upto 50%. For example, the foreign price of caustic soda is Rs. 700 per metric tonne, whereas in India, the price is Rs. 2700. That is why they are imported. So, we have to revise the import policy, and see that the foreign exchange resources are not drained away. We should have a second look on such things.

The anti-poverty programme is the essence of the Budget. We have been able to wipe out the tears from the eyes of millions of poor people all these years. A few million people have been covered by the IRDP; about 15 and odd million people have been covered by other anti-poverty

programme, but many more million of people are there whose tears have to be wiped out. If these programmes are implemented sincerely, then certainly we can succeed by the end of the plan to bring every one above the poverty line, but they will be poor.

Now the poor are put in four categories by the Rural Development Department. These are destitute, very very poor, very poor and poor. Therefore, if all these four categories come to the level of the poor, they cross the poverty line, but, still they will be poor. It takes time for them to rise above the poverty line, because necessary infrastructure has been built, some economic strength is given to them so that they can feel that they are going up. Therefore, the successful implementation of these projects depend on the education, sincerity and honesty not only of the officials but popular representatives, in panchayat raj institutions, who should also involve themselves in the implementation of the programme, because it is a social obligation on every one in the villages or the blocks to see that poverty is vanished from these areas. Therefore, everyone has to play vital role in implementation of these programmes; simply pointing but defects will not do. Therefore, this anti-poverty programme is the main essence of the Budget. I rely more on part (a) of the Finance Minister's speech, no on part (b) which deal with additional imposts. There are bound to be additional imposts. It is criticised by the opposition that is pro-rich and pro-monopolists budget. The only favour that is shown to the rich people is that the price of the automobile has been increased, the price of the petroleum products has been increased; so also kerosene. I do not know how the opposition says that it is a pro-rich and pro-monopolists budget. No concession has been shown in this budget for them.

Therefore, if you look at it objectively you will find that this is a good budget and it is a precursor for the next budget so that we grow from strength to strength; not only economic growth is there but social justice is also there; that is the essence of our plans and that was the essence behind dynamic five year plans drawn by Pandit Jawaharlal Nehru. Therefore, I welcome the budget and I support it.

SHRI K. MOHANDAS (Mukundapuram): This year's budget, it is true, has not evoked sharp reaction from the public. The Finance Minister has not imposed tax on many items of mass consumption through his budget. He had already done that through a Government Notification. This was a clever way of collecting money from the public without taking recourse to the budgetary levy. In fact there was no need for any fresh levy after the increase in the administered prices.

The increase in the administered prices of the petroleum products by government's own admission, will push up the prices of all commodities of mass consumption. The Government says that it wants to control the consumption of petroleum products and that is the reason why it has raised the prices. In fact this assertion by the government was denied by the oil companies which have said that the consumption has risen only marginally. Then 60 per cent of petrol and diesel is being used by the Government Departments, undertakings, etc. I went to ask the government whether they have made any real efforts to reduce the consumption by the government. If so, let us know what has been the result? Anyway, the prices are going to rise and the burden on the common man will rise. The life of the people belonging to fixed income group and the poor living in huts and on the pavements will become more miserable.

Having said this I must say that the budget has certain good features. First of all, I would like to thank the hon. Minister for giving some relief to the income tax payers belonging to the fixed income group, by raising the standard deduction from Rs. 6,000 to Rs. 10,000. In fact the inflation has made the life of this section really miserable. We were hoping that the Finance Minister would raise the basic exemption from the present level of Rs. 18,000 to at least Rs. 25,000. Although that has not been done, I am happy that some relief has been provided to this section.

I must also say a word of appreciation for the larger allocations made in respect of anti-poverty programmes. These programmes will go a long way in raising above the poverty line the large number of poor people. What is required is honest implementation.

Now I come to certain problems of my State of Kerala. Kerala is one of the very few States which face acute financial problems in meeting the Plan target. We are always in need of the Central assistance. But our complaint has always been that, being located far away from the capital, Kerala has not received adequate attention. When almost all the States got a higher Plan allocation for the annual Plan, Kerala's allocation is a clear reflection of the attitude of indifference of the Centre towards Kerala and its problems. Kerala, as you know, Sir, spends much more than the national average on health education and other welfare measures. The percentage of literacy in Kerala is 70.4 whereas the national average is only 43.136. Similarly, the health care in Kerala is the best in the country. There are 134 beds for one lakh of population which is the maximum in the country. Mortality rate is the minimum with six per thousand. The rate of infant mortality is just 25 per thousand whereas it is 125 per thousand at the national level. So it is because of the excellent health services as well as the greater emphasis on education that we could achieve this. But the Centre while allocating resources does not give any importance to these aspects. Therefore, I would request the Government to raise the allocation for the State.

Sir, Kerala's economy depends largely on coconut and spices. So, naturally the decline in the prices of these commodities will put the economy out of gear. This is exactly what has happened during the last year. There was a crash in the prices of coconut and its products. A coconut which was selling at Rs. 4 in 1984 is available at 90 paise to one rupee. There has been a steep fall in the price of coconut oil. Loss of hundreds of crores of rupees has occurred and the farmers had been ruined. Although the centre has asked the NAFED to procure copra, it has not resulted in any improvement. The downward trend in prices continues. All attempts to persuade the Government to declare a floor price for the current coconut have failed and the coconut growers of Kerala, a majority of whom are small farmers owning one or two acres are suffering. So, I would emphatically demand that a floor price for coconut be announced immediately.

[Shri K. Mohandas]

The same is the case of spices which earn us valuable foreign exchange. This year the price of cardamom has touched an all time low with the price coming down to Rs. 125 per kilogramme. Again, all attempts to get an effective intervention of the Government has failed and the decline in the price of cardamom continues. I would request the Finance Minister to formulate a short term as well as a long term strategy to boost the export of cardamom and other spices and maintain the prices at a reasonable level.

Sir, Kerala is an industrially backward State. This State is one of the very few which have got a very negligible Central investment. The State on its own, cannot mobilise enough resources as the resource base is very small. Due to industrial backwardness, unemployment among the educated persons has increased. Today educated boys and girls from Kerala migrate to the metropolitan cities and take up jobs for a meagre salary of Rs. 400 or Rs. 500 per month. If Kerala could provide them job opportunities in the State, their manpower and skill could have been utilised for the building up of the economy of the State. Therefore, industrialisation is the only way out. The Centre, I request, should come forward to invest in Kerala for rapid industrialisation. This alone will solve the problem of unemployment.

14.00 hrs.

Finally, I want to say a word about the power generation in Kerala. According to present estimates, Kerala is going to face a power famine in the near future. We entirely depend on hydro-electric power in the State. It is too risky a situation. If the monsoon fails, then there would not be any power in Kerala. The whole life will come to a standstill. This is not an imaginary condition. It had happened a couple of years back and we are only too well aware of the consequences of such a development. A demand was made for an atomic power plant. But like other demands from Kerala, this too has not been considered by the Government. I would request the Central Government to set up an atomic power plant to meet the growing power requirements of Kerala.

Kerala is a small State lying at the south most part of the country. The physical

distance has often created a psychological distance. An impression prevails that whatever happens in Kerala is no concern or of less concern to the rulers in Delhi. This attitude has proved very costly to us as a nation as is evidenced by the emergence of divisive forces in different parts of the country. When a young person like Shri Rajiv Gandhi is the Prime Minister, the people expect a radical change in the attitude of the Government towards the development of less developed regions in the country. I hope that such an approach will be forthcoming and a State like Kerala will receive its due share of attention from the Centre.

SHRI P. A. ANTONY (Trichur) : Sir, this is a Budget which taxes the rich and spends the revenue to eradicate poverty and to raise the standard of life of the ordinary people. Allotting 65 per cent more money as compared to last year's Budget, for anti-poverty programmes, shows that it is an anti-poverty Budget. A subsidy of Rs. 2250 crores for wheat, rice and kerosene will clearly help the common man.

The expenditure on Defence, interest payment of existing loans, subsidies on foodgrains, agriculture, etc., they are equal to the revenues mobilised by the Government. Hence for developmental plans, the only way out is to borrow money from within the country and outside also, to collect more taxes and ask the public sector to make more profits. In this respect, I have to congratulate our Finance Minister for collecting 24 per cent higher revenues from Income-tax, which is 36 per cent higher than the Budget estimates of 1985-86.

Financial stability of the nation is the need of the hour. First year of the Seventh Five Year Plan showed better results in revenue collection, general production of agriculture and industrial goods. Keeping this base in view, we are aiming at the development of the nation on a time bound programme. The Plan formulations for 1986-87 started with a long term fiscal policy which is to accelerate the development in major sectors like agriculture, houses to the poor, drinking water facilities, communication, etc.

This is a Budget which is really meant for the poor, taking the country ahead on

the path of development, providing financial stability, giving encouragement, to small scale sector and also giving fillip to the foreign exchange reserves in the country. No doubt, this is a balanced budget to a greater extent, still there are some imbalances in it which are quite apparent. For example, last year, steel was used to be sold at the same price throughout the country, whether it is Cochin, Calcutta or Madras. But this year, it is not so. Earlier it was decided that to bring about integration, steel would be sold at the same price throughout the country. But now, one has to pay freight charges from Calcutta to the consuming point. It has to be changed as before.

One of my friends said that Kerala is the most advanced State in the matter of education—higher education, university education, etc. So, naturally, the unemployment among the educated is higher in Kerala than in any other State. Kerala is stated to be advance in many fields—in education and other social services—and the Government is spending more money to help education, social services, etc. Since unemployment among the educated in Kerala is the biggest problem, the Centre has to see whether it can be industrialised so that the educated unemployment can be stopped. There are fields in Kerala where we can utilise the educated people, the skilled people, such as, fishing and tourism. Tourism can be encouraged because Kerala is one of the beautiful States in India. Similarly, fishing can also be encouraged because it is a source of foreign exchange earning.

Sir, you know that Kerala is producing a lot of coconuts. Thanks to the Finance Minister for withdrawal of cess on copra, but, Sir, crushing is done only of two per cent of the coconuts produced in Kerala. The Central Government can start a crushing plant in Kerala in the public sector so that the price of the coconut oil can be reduced and it could be supplied through the Civil Supplies Corporation in Kerala.

There is a shortage of power in Kerala. We depend upon hydro-electric projects for producing power. So, a thermal power station is highly necessary in Kerala to meet the power shortage.

In India, there are nearly 436 districts and out of these, 92 districts are declared

as very very backward. I am very thankful to the Finance Minister for providing Rs. two crores to each district for its infrastructure. But as far as my information goes, in any of these 92 districts which are declared backward by the Government of India, there is no public undertaking.

14.08 hrs-

[MR. DEPUTY SPEAKER *in the Chair*]

Also, the money allotted to these poor districts on an average is only Rs. two crores. If you want to improve the condition of these 92 districts, out of 432 districts, Rs two crores are not enough. The Government has also to think about starting public sector undertakings in these 92 districts. This is necessary in the general interest of the country.

This time I congratulate the Finance Minister who has done a lot, especially in the matter of implementation of income-tax laws. There are many enemies personal to the Finance Minister now because he has unearthed the black money in the interest of the nation. I, therefore, request this august House and the officers to give more moral support to the Finance Minister than they have given at any time before, and I also request the hon. Minister to continue his efforts.

Shri Rajiv Gandhi's Government has declared to eradicate poverty in the Seventh Five Year Plan but there is a group of people who never gets the benefits of our country's national income and that group is of those who are very aged, who cannot work hard, who do not get any pension, who do not have any property. All our poverty eradication programmes are meant only for those people who can work, but those who are nearing 65 years or 70 years, those who have no assets, those whose sons or children are not prepared to support them, are really starving. Even among the rich people when the father gives all the money to the children at the age of 70, these people do not get even a single paisa for a cigarette or a bidi. This is the condition. In this condition, as ours is a Welfare State, I request the Finance Minister to consider declaring pension to all people who are aged 70 and above. You should not see whether they are financially sound or not, whether they

[Shri P. A. Antony]

are income-tax payers or not. Irrespective of that, you should declare pension for them who are over 70. Even though he may have some other source of income you can very well add this pension to his income and tax him. Only ten per cent of these people live in their income; near about 90 per cent of the people over 70 are in difficulties for money. I request you to consider giving pension to all those who are above 70 since ours is a Welfare State. I support the Budget which has been presented by the Finance Minister. It is a highly balanced Budget and it aims at the eradication of poverty in the country. With these words I conclude.

SHRI ANANTA PRASAD SETHI (Bhadrak) : Sir, I rise to support the Budget presented by our hon. Finance Minister. I personally congratulate him for presenting a budget which is commendable on all aspects. The budget is growth-oriented and progressive. It aims at the welfare of the poorer sections of our society. This budget aims at increasing employment and it provides incentive for small scale industries for rapid growth and also for eradication of poverty. He has set apart Rs. 52,860 crores for that. It provides 65% increase in the allocation for RLGP, NREP, IRDP programmes, in order to eradicate poverty, by giving employment through developmental work. In respect of these schemes like RLEGP, NREP and IRDP it is our experience that due to faulty implementation of the scheme the results have not been achieved. The IRDP scheme raises income of the poorer sections of the people who are living below the poverty line. This scheme is no doubt extremely good. But the system for implementation is faulty. The benefits intended for the poor masses are not reaching them. The quality of implementation is so poor that it is very difficult for us to say positively that it has really helped the rural poor. This implementation takes place in three ways : One is selection of the beneficiaries; Provision of bank loans and continuance of the proposed trade by the beneficiaries. This is the practice today. But generally in selection of beneficiaries we feel that this is done in a most haphazard way. In the first stage when the selection of beneficiaries takes place, the most

important agency, *i.e.*, the financing agency, is not involved; even if their involvement is asked for, they are not in a position to attend due to shortage of manpower or they shy away or they do not want to participate. So, the selection of beneficiaries will definitely play a vital role in the success of this IRDP because when this target is fixed at block levels, this is fixed on a yearly basis. But I would suggest that this planning should be on a two-year basis at the first stage and one year planning should be done full one year ahead subsequently. Thus, this will avoid selection of the beneficiaries at the fag end of the year and that will improve the quality. The selection process should be in such a way that the beneficiary should himself be impressed in a scheme instead of the scheme being thrust upon him as at present. As most of Indian rural poor are illiterate, they may be unaware of various schemes and various types of activities. They should be educated in this direction by calling meetings of the would be beneficiaries at the village level from time to time. They should also be given training on all aspect of the schemes that have to be undertaken under IRDP. So, this target for a particular year should be decided two full years ahead, that is, in the early part of the previous year. Monthly targets should be fixed and in case a particular month target is not achieved due to certain reasons, the next month's target may be added by 10 per cent only and let the quality of implementation not suffer only to achieve the target. If the target is not achieved, let the administrators look into the deficiency and let the guilty be punished accordingly.

Another factor is provision for bank loans. As this is the most vital part of implementation of this scheme and part of the public money is utilised to finance the scheme, only due to poor quality of lending, the non-recovery is mounting up day by day and in lending for anti-poverty programmes so much time and energy is necessary that probably bank management is not realising the difficulty. So I would request that in consultation with the Reserve Bank of India this manpower planning should be done in such a way that there should not be any inadequate staff pattern at the branch level.

Again about continuance of the trade by the beneficiaries, it is generally felt by the borrower that the subsidy which he has got, he will get whether he repays the loan or not. At present the procedure of adjustment of subsidy while purchasing the assets is resulting in some malpractice. So, the subsidy should be used in such a manner that the beneficiary should be lent with the full amount from the bank and the subsidy should be kept in a separate account, interest on which will be earned by the borrower at the same rate as he takes the loan. Sir, the day he repays instalment, simultaneous and proportionate adjustment from subsidy should be made. The adjustment of subsidy should be only in relation to the principal and any amount of repayment received from the borrower will go first to adjust the interest. In case this procedure is adopted, I am sure, the beneficiary will always be induced to repay the loan as that alone will adjust the subsidy. In case of default or misutilisation, the subsidy can be adjusted only if there is no recovery possible and this should be allowed at the discretion of the certifying officers.

In order to remove regional imbalance, sufficient attention should be paid to the backward States, more over to backward districts. Our State, Orissa is a backward State. Time and again we are approaching and requesting for two major projects, *i.e.* super thermal power projects in our State. We are facing acute power crises and the power cut on an average is 60% now. The power cut on the household is 75%. 90% of the small scale units are at the verge of closing down. We are approaching for this Ibvally super thermal project and Talcher super thermal project. But these two project do not figure in the budget whereas you have included other super thermal power projects for different States. So, I request the hon. Finance Minister to see that these two projects are at least included in the next supplementary budget.

With these words, I once again support the Budget.

SHRI DIGVIJAY SINH (Surendranagar): Mr. Deputy-Speaker, Sir, at the outset, I do compliment the hon Finance Minister for his very deep and keen acumen shown in fiscal matters. Many people have

spoken about the various implications of the Budget. But I would like to concentrate only on two subjects—population and environment.

When you talk of a Budget which is geared towards ameliorating the conditions of the poor, how can we tackle poverty when we do not focus attention on population explosion? The two are synonymous. When you talk of a budget which is for the poor, a good allocation should be given to the family planning programmes. But a good amount is not provided there. After all, it is the family planning which will bring about the amelioration in poverty.

As far as environment is concerned, if you want to improve the quality of life and health of land, you have to give attention to environment. I am only going to repeat certain questions which are asked in Parliament. I do not want to make any ambitious statement. On the 18th of April last year, I had asked a question, namely, what is the birth rate, death rate and increased rate of population during the last 10 years and what are the targets achieved.

After adjusting birth rate and death rate, the rate of natural increase in population, as per the answer, is :

| | |
|-----------|--------|
| For 1977— | 18.3 % |
| 1978— | 19.1 % |
| 1979— | 20.70% |
| 1980— | 21.1 % |
| 1981— | 21.4 % |
| 1982— | 21.9 % |

Now also, the percentage is the same. That means, because of our steep fall in the death rate, the net increased rate remains higher than what it was earlier. When this is the situation, I have made a proposal for giving specific incentives. Even disincentives were suggested. Even a notice has been given for introduction of a Private Member Bill on the floor of the House. I do not know when it will come through because of the ballot system which is more or less like a lottery. I have suggested four incentives and four disincentives for population control.

MR. SPEAKER : You can give a notice under Direction 115. Further I want to make it very clear. What I mean to say is that sleeping is not a crime. Everybody in the world sleeps !

SHRI S. JAIPAL REDDY (Mahbubnagar) : I suggest a discussion on Jammu and Kashmir should be allowed. Rajya Sabha had an occasion to do it.

MR. SPEAKER : We will do it....

(Interruptions)

SHRI AMAL DATTA (Diamond Harbour) : We are always left behind the Rajya Sabha. This is very funny.

MR. SPEAKER : Who told you so, Sir ? There are certain subjects which we take up earlier. You cannot take up all at once. They also cannot take up all at once. It is not like an ordinance that we should follow them or they should follow us. They are equally important. They are equally authorised. They are equally responsible to discuss anything. So we do....

(Interruptions)

MR. SPEAKER : This is a slur on the Parliament. I will not allow that. We are getting every subject discussed.

SHRI AMAL DATTA : But they get much more opportunities. I can show you the record.

MR. SPEAKER : Please show me. We discussed the price rise first and they discussed it later on. Do not have competition with the other House. They are equally responsible. They are equally our partners.

SHRI AMAL DATTA : We have tried to raise, independently, here, but we have always been thwarted.

[Translation]

MR. SPEAKER : Who has prevented you ?

[English]

SHRI AMAL DATTA : You, Sir.

MR. SPEAKER : I would take objection to that; I will pull you up for that.

SHRI SURESH KURUP (Kottayam) : Sir, I have given notice.**...

MR. SPEAKER : No allowed. You cannot refer to it here. Mr. Kurup, you always do wrong things, at the wrong time and at the wrong place. It should not form part of the record. It is a wrong place; it is a wrong subject. It is the Assembly which has to take care of it.

*(Interruptions)***

MR. SPEAKER : You cannot refer to it. It is the Assembly which has to take care of it. Sit down. Nothing goes on record.

*(Interruptions)***

[Translation]

MR. SPEAKER : Please sit down. You are not concerned with it.

[English]

Why are you doing this ? It is my job to do.

Now, papers to be laid on the Table.

12.06 hrs.

PAPERS LAID ON THE TABLE

Explosives (Amendment) Rules, 1985

THE MINISTER OF INDUSTRY (SHRI NARAYAN DUTT TIWARI) : I beg to lay on the Table a copy of the Explosives (Amendment) Rules, 1985 (Hindi and English versions) published in Notification No. G. S. R. 511 (E) in Gazette of India dated the 25th June, 1985 under sub-section (8) of section 18 of the Explosives Act, 1884.

[Placed in Library. See No. LT-2194/86]

conservation programmes. Because that is the only way that you can tackle this problem on a long-term basis....

SHRI VISHWANATH PRATAP SINGH : I just want to make one clarification. This point has been repeated very often that the international prices have gone down. One basic fact should be kept in mind. Even after the price of international crude is reduced, it is still costlier than the Indian crude. That basic fact is there. Last year we imported 20% of our consumption of crude. In the current year we are importing 33% of our required consumption. When the costlier crude is coming in the higher proportion, the average rate of crude is going up.

SHRI DIGVIJAY SINH : Anyway this is a suggestion.

I have just three more questions and then end. Talking of environment, a specific proposal was made. A specific inclusion was made in the Budget of 1983 for giving allowance to any industry which wants to shift out of the congested city on environmental ground or air pollution or on health hazards. Then that land falling vacant as well as the building or machinery which is not being used could be sold and that would attract no capital gains tax provided that money is re-invested in another industry outside the city. Now I asked a specific question whether since that provision was made any 1983 Budget has any industry availed of it. The answer is in the negative because there is no co-ordination between the Industry Ministry and the Ministry of Environment to see that these measures are implemented.

I will just draw attention to one more thing. The Ministry of Environment has made a specific proposal of setting up of an Environmental Management Institute. On the 5th March the Minister replied saying that no provision has been made in the Seventh Plan for setting up a National Environmental Management Institute because of constraint of resources. The same thing applies to mining laws. You know that is happening in mining operations, specially in open cast mining. During the operations the land gets eroded and the only way you tackle it

is to impose a specific tax on mines so that with that money the land can be restored. This was on the anvil for the last 4 to 5 years to amend the mining laws. A specific question was asked on 10th March, that is, yesterday and the reply is that it is not possible at this stage to indicate any date by which the mining laws will be amended.

I made certain other suggestions also to the hon. Minister for giving concessions to all manufacturers of hardboard, cardboard and corrugated board whereby wood is not used for packaging of various products, specially, agricultural products such as fruits. If concessions are given to those manufacturers who supplant wood in the packaging of various goods, then to-day it means a loss of no revenue because today nobody produces that kind of product which would replace wood. But if the incentives are given and technical know-how is available and such products are made, then wood will be replaced such and such products. It means loss of revenue. Why not the Government give the facilities to such prospective entrepreneurs who can make such products thereby reducing the pressure on our wood resources which today is fast eating up our forests. I thought I could club these two points together.

DR. DATTA SAMANT (Bombay South Central) : I will straightway come to the poverty alleviation programme I think for the last one year I am hearing in this House that our Government and the Finance Minister making fun of the poor people of this country. I will now take up National Rural Employment Programme. Out of 300 million mandays jobs only 200 million mandays, on an average, hardly a million and a half families will get work for hardly Rs. 300 to 400 per year. Then there is the Rural Landless Employment Guarantee Programme. The only thing is that you have allotted some 60 per cent more—there are 264 million mandays. Out of this hardly a million people will get Rs. 500 to 600 per year. The third is Integrated Rural Development Programme. In that the amount is Rs. 428 crores and hardly about 15 lakh families will get Rs. 300 for their development. If you calculate all this, the Poverty Alleviation Programme which is discussed in this House by the Treasury Benches, hardly about 300 to 400 million poor people of this

[Dr. Datta Samant]

country are going to get Rs. 400 to Rs. 500 per year. Sir, how they are used? What is the infrastructure. That is a different thing. But assuming that all this money is given to the poor people, only three to four million people—I think I am not going to define the Poverty Allevation Programme—out of 300 million poor people will get benefit. Assuming that it has all gone to the poor, not even 1 or 2 per cent poor people of this country will be benefited. Moreover, as per this Plan whatever programme is there, those which are there in the Sixth Plan, they will be given more money. One to two per cent of the poor of this country are getting this benefit.

Secondly, Sir, what is the infrastructure? I was the Member of the Maharashtra Employment Guarantee Scheme. They used thumbs; left thumb is used. Children's thumbs are used. The dead people's thumbs are used. Forty such types of cases were enquired. I am sure, out of all this money, not even 50 per cent of this will go to the poor.

Another thing is you are giving small loans to sweepers, cobblers, washerman and the barbers—say Rs. 400 or Rs. 500. Are you really interested to do something for such people. I do not think. This Government is not doing this. For the last one and a half year, I am hearing in this House; we are talking the person and corporate taxes are reduced. De-licensing and Pre-licensing are done. We are saying that the MRTP and FERA ceilings are increased. We never talk of ceiling of the land. We never say that the big landlords should have some restriction on the income tax. Do the Government and the Treasury Benches bother? You are talking of only 5 per cent of the high class society in this country and 90 per cent of the people are just dying. Nobody is bothered about this. You all talk about concession in this budget. But I am sorry to say that the way the Government thinking not even a single poor man is going to benefit; on the contrary poverty is going on the increase. I appeal to the Government of India let us have a Committee of Members of Parliament and let us make a study of it. They have used a very good word. True, Sir, the size of our country is very big. Only 5 per cent of the workers are benefited. You have increased the bonus limit. But the formula

remains the same. Now you have increased the rate of interest of provident fund for the workers. I will say that 30 to 40 per cent belong to labour class. Think of their lot in this country after 40 years of independence—if the particular employer earns certain profits what will be the share of workmen? 30 to 40 per cent of the population of this country is labour, and the Government is silent, is sleeping over it. Where is the law to decide the share of the workmen? I am putting it before the House again. Last year also I had raised it. About 50 per cent of the population of this country is labour—contract or casual or badli or trainee or apprentice. You are only discussing corporate taxes, concessions, import duty, export duty, and so on. When are you going to decide the share of 30 to 40 per cent of this country's labour? Are you developing the country only for big industrialists and business people? What about the unorganized labour? We have the farm labour, the construction labour, the powerloom labour, all types of labour. Fifty per cent of the people living below the poverty line are these people. You guarantee their wages and fifty per cent of the poverty will be removed. Giving the landless labour only Rs. 3 per day and some road work cannot be called a poverty-alleviation programme. It is only some starvation-avoiding scheme which you are implementing. These people can never be brought up to the standard line by being given only some grains and some road work. If the Government is really serious, they should guarantee their wages, they should implement the minimum wages for these people. Then 50 per cent of the poverty of this country will be removed.

Last year about 100 districts were put in the Budget for being covered by the accident insurance scheme. The poor are dying. You are not implementing the minimum wages, but when somebody dies, you are going to give somebody else some concession. Nobody is interested in the poor. I want the Government to reply as to how many poor people have been given this benefit in the last one year.

If the factories are closed, the Government says that workers will be the first beneficiary. But not a single worker, in the last one year, has been given this concession.

I am making a categorical statement because I am dealing with lot of people.

About Rs. 3,600 crores or 9 per cent of the capital of the banks are blocked in 90,000 sick industries. What are you going to do about that? For getting a revenue of Rs. 2,000 crores, you have increased the prices of petroleum products and other commodities. But an amount of Rs. 3,600 crores is blocked and swallowed by the employers and the Government is not prepared to do anything in that regard.

Then I come to the revision of D.A. from 1.30 to 2.60. It is maintained in the Budget. But what about Bharat Petroleum, Mazagaon Docks and other Bombay units? They were getting more D.A. You are now reducing their D. A. and saving that amount.

MR. DEPUTY SPEAKER : Please conclude.

DR. DATTA SAMANT : There are only two or three points more which I would like to mention in the House.

There is a steady devaluation of the rupee in relation to the currencies of other countries. From 1981-85, the value of the rupee has gone down by 39.5 per cent in relation to the U.S. dollar. I have got the details. In relation to Japanese Yen, the value of the rupee has gone down by 48.78 per cent in the last five years. In the last 14 months, upto February, the value of the rupee has gone down by 27 per cent in relation to Japanese Yen. Even in relation to pound, the value has gone down. What is your economic position in this world? We are becoming day by day a poorer country. I am afraid, you are going to devalue the rupee when the time comes.

Regarding indirect taxes, the Government is totally silent. In 1983-84, if you see the total production, the total excise collection should have been Rs. 16,000 crores, but the actual collection was Rs. 8,000 crores. The indirect taxes are short by Rs. 8,000 crores because of the adjustment of the employers with your Department. Such a big money or revenue is not being considered by this Government.

MODVAT has been introduced. But nobody knows about it. I enquired in Bombay. Nobody knows. I am asking a categorical question; by giving concession to the ancillary or primary producer, do you think he is going to pass on the benefit to the consumer? On the contrary, what has happened in the automobile industry? The price has gone up. Whatever concession is given to the ancillary or primary producer, he is not passing it on to the big factory. Therefore, your tax remains the same. This has caused a lot of confusion.

I am from Bombay. The Prime Minister came to Bombay on the 13th December in connection with the Congress Centenary Celebration and assured the people in the Azad Maidan meeting that for slum repairs Rs. 100 crores would be given and the Woshi-Belapur.....

PROF. MADHU DANAVATE (Rajapur): It was the Centenary anniversary of the Congress.

DR. DATTA SAMANT : From that hundred crores, the Railways will be benefited. We are prepared to give money from the Maharashtra Government. After going through this budget, it seems whatever the public assurance was given by the Prime Minister as a sort of privilege—now the Government is going back from that. From Bombay you are collecting Rs. 300 crores.

SHRI VISHWANATH PRATAP SINGH : For slums hundred crores has been provided. For the Railway bonds, the Maharashtra Government.....

DR. DATTA SAMANT : For Bombay slums hundred crores has not been provided.

SHRI VISHWANATH PRATAP SINGH : We have agreed to provide.

DR. DATTA SAMANT : It is not given in the Plan.

SHRI VISHWANATH PRATAP SINGH : It won't be in the Plan. It is coming under the Non-Plan.

DR. DATTA SAMANT : In how many years will it be done ?

SHRI VISHWANATH PRATAP SINGH : Within four years.

PROF. MADHU DANDAVATE : A clarification came in Bombay that the hundred crores is not exclusively meant for slum clearance and improvement. Please check up the records.

SHRI VISHWANATH PRATAP SINGH : I don't know who said it. But that is our understanding.

PROF. MADHU DANDAVATE : Of course, the Finance Minister's assurance is the final one.

DR. DATTA SAMANT : Hundred crores is not there; but if you are saying that hundred crores will be given in four years, it is good.

Regarding Railways, we are prepared to give money from the Maharashtra Government.

SHRI VISHWANATH PRATAP SINGH : We have agreed to the Maharashtra Government's plan.

DR. DATTA SAMANT : You have given only Rs. 10 lakhs in the Railway budget.

MR. DEPUTY SPEAKER : The Minister says it has been agreed to.

DR. DATTA SAMANT : Therefore, Sir, this budget is only for the 5% of the affluent people, for the big people the industrialists and the poor people are going to remain the same. Therefore, I protest and oppose this budget.

[*Translation*]

SHRI PRATAP BHANU SHARMA (Vidisha) : Mr. Deputy Speaker, Sir, I would like to express my views in support of the budget for the year 1986-87 presented by Our Finance Minister in the House. The people at large have shown a favourable reaction to this budget and all the newspapers have clearly said that this budget is a balanced one and will go to improve the economic condition and increase production. I, too, agree with this view that this year's budget is better than that of the previous

year. It is better in the sense that the process of improvements initiated during 1985-86 has shown good results. Whether it is the long-term fiscal policies or the simplification of taxation system or the collection of more revenues by introducing the policy of lesser taxation, these policies have shown positive results in the form of more tax collection made during the current financial year for which I would like to congratulate the hon. Finance Minister.

He had embarked upon a new experiment by simplifying the tax-structure to which the people at large have reacted favourably and better results have been achieved in the national interest.

Our friend Shri Datta Samant was saying that no worthwhile work had been done under the anti-poverty programmes. I would like to draw his attention to the fact that he was also a member of Seventh Lok Sabha and during Question Hours and on other occasions it had been pointed out that under N.R.E.P., I.R.D.P., and R.L.E.G.P. not in lakhs but more than that number of people had benefited and the people living below the poverty line had also benefited. The figures consolidated by the National Survey and the study group also speak of this fact. About 150 crores of people have been benefited in the Sixth Five Year Plan under the Integrated Rural Development Programme. Lakhs of people have been provided jobs under N.R.E.P. and R.L.E.G.P.

My colleague has also expressed doubt about whether any positive results would emerge by making more provision for anti-poverty programme. The hon. Finance Minister has earmarked about 1851 crores for the next Financial Year for implementing Anti-Poverty Programme and Rural Development Programme. This allocation is 50 per cent more than that allocated last year. I would like to draw his attention to the fact that it is proposed to benefit about two crore people under I.R.D.P. Although a sum of Rs. 428 crores has been allocated for it yet he should know that this amount is in the form of assistance and grant only. This is in addition to the loan given by the nationalised banks under I.R.D.P. for self-employment scheme. I am sure that there will be a provision of Rs. 5000 crores in the

form of grant and another Rs. 5000 crores or more in the form of loans from the nationalised banks in the Seventh Five Year Plan. This amount will be available to the rural people, Harijans, Adivasis and the others living below the poverty line under these programmes. Instead of having a pessimistic view of these schemes, we should see them in the national perspective and in the national interest. These programmes are meant to benefit those poor people for whom the Central Government have formulated them. All of us have to make collective efforts in this direction.

Our late Prime Minister Shrimati Indira Gandhi had given to priority to the Rural Development Programme and the Anti-Poverty Programme. Our young Prime Minister, Shri Rajiv Gandhi, is laying great emphasis on these schemes and wants to implement them in the remote rural areas through this innovative budget. He deserves congratulations for this.

So far as the industries and the public sector industries are concerned, it is clear from the speech of the hon. Finance Minister that in the Seventh Five Year Plan, a sum of Rs. 1,80,000 crores, which is the largest amount, has been allocated for the core industries in the public sector, which is related to the people at large, whether it is heavy industry, power, steel, cement or other industries connected with transport. The larger allocation made in the public sector or in the core industries coming under it shows that the hon. Finance Minister had made this allocation keeping in view our basic policy of development and industrialisation of the country.

I would like to refer particularly to the surface transport and tourism for which less allocation has been made in the Budget. If we want that the means of transport in the country should be developed with a view to maintain unity and integrity of the country or with a view to exploit the potentialities of tourism then we will have to make more allocation for Surface Transport and Tourism Departments. In my view the funds allocated for these sectors will fall short of the requirements in the coming years.

In the end, I would like to raise some points in regard to the banks. Mr. Poojary

is present here. The allocation for the self-employment scheme has definitely been raised in the 1986-87 budget. The allocation of Rs.65 crores for self-employment scheme made in the previous Budget has been increased to Rs. 103 crores in the budget for 1986-87. I would like to express my thanks for it but there is still some scope for improvement in it. A number of task forces have been constituted under the chairmanship of the General Managers of the District Industries Centres which are not functioning smoothly. The candidates selected by us do not get finance from the nationalised banks when they approach them. They have to make several rounds of the nationalised banks for the purpose. I would like to suggest that since lead banks have senior officers in the task force, so there should be no need of review of the applications for loans by the nationalised banks. They should get loans from the nationalised banks on priority basis.

I would also like to say something regarding the crop insurance. The crop insurance scheme has proved to be a boon for the farmers but it has been implemented in one hundred districts only. Since natural calamities like drought, excess rainfall, hailstorms continue to occur in a predominantly agricultural country like India, the crop insurance scheme should be implemented in all the districts.

With these words, I would like to thank the hon. Finance Minister for making greater allocation for Kalapakkam and other fast breeders in the field of science, technology and atomic energy and for giving priority to it.

SHRI RAM SAMUJHAWAN (Saidpur) :
Mr. Deputy Speaker, Sir, I am grateful to you for giving me an opportunity to speak on the budget. From the budget that has been presented, it appears that more attention has been paid towards the poor people living below the poverty line, to whichever part of the country they might be belonging. Whether they are living in the rural areas or the urban areas, schemes have been formulated by him to lift them above the poverty line. But, I would like to give a suggestion on the basis of the experience gained so far. The Government provide sufficient funds for the benefit of the poor but actually that money does not reach the

[Shri Ram Samujhawan]

poor intended beneficiaries. The intermediaries, whether they are in the blocks or the banks or elsewhere, grab most of the funds. Therefore, it should be ensured that the intermediaries do not grab the funds meant for the poor.

I would like to draw the attention of the hon. Minister to my area. The eastern districts of Uttar Pradesh, namely Gazipur, Jaunpur, Ballia, Azamgarh, etc, are quite backward. No developmental work has been done there. In 1962-63, Patel Commission had visited that area, carried out study and made some recommendations. My constituency Saidpur consists of Gazipur, Jaunpur and Banaras. When people of my area ask me as to why no development work has taken place there and why no industry has been set up there, I have no reply to give to that. I would request the hon. Minister to either appoint a commission or a committee which may visit that area and see how backward that area is and what steps should be taken for its development. We find that a lot of developmental work has been done in Sultanpur, Pratapgarh and Rai Bareilly which are adjacent to our area, but the people of our area say that after all their area is also represented by a Member of Parliament then what are the reasons that not a single factory has been set up there. When they put such questions, I have no reply to that. No developmental work is being undertaken there. The township in

15.00 hrs.

Saidpur and Vahariyabad has sufficient population but it is situated at the distant of 20 kilometers. Although roads have been constructed yet the people have to cover a distance of 100 kilometers to have contact with each other as there is no bridge across the Udanti river falling in between them. I think the cost of constructing a bridge will not be more than Rs. 1 lakh. So, I would request that a bridge should be constructed across that river to facilitate development of that area. Similarly, if a bridge is constructed across the Gangi river in Paharpur, that area can develop.

You know that floods occur in that area every year. In our district, the Gomati and

the Ganga rivers ravage the areas on both sides every year when they are in floods. The people of that area who are already poor, face great destruction because of the floods. The means of irrigation are not as good as they should be. Last year also, I had requested you to construct a bridge across the Gomati river at Keracut. This year also I am making the same request. Besides, erosion is taken place there with great speed but no action has been taken to check it. This area is very poor and backward and its population is also very high. The people from that area go to Calcutta, Bombay and to other places for earning their livelihood. As I have already said, this area is a Harijan dominated area and has three reserved Assembly constituencies. For the development of that area I have been constantly appealing to the Government and today also I want to request the Government that they should prepare a development scheme for that area and should find out the reasons for its backwardness and see what can be done for its development.

So far as the Harijans are concerned, even today they are trying their best to come above the poverty line. The Government, of course, gives assistance to them but they should see this also as to what extent they are being exploited. In that area electrification has been done to facilitate the Harijans but if you tour that area you will find that at the entry point of the village three poles have been installed and it is shown on papers that village has been electrified.

So far as the question of school buildings in that area is concerned, 80 per cent schools in that area are such where studies are done under the shade of trees. On the day when there is storm, etc., children are asked to go home. The Government do provide sufficient funds for the allround development, but that money is not utilised properly. Therefore, it is necessary to construct school buildings in the villages so that the children in the villages may progress with the country and they may also develop.

With these words, I support the development-oriented budget presented by the hon. Finance Minister and request that he should pay some attention to my area Saidpur also.

15.06 hrs.

[SHRI SHARAD DIGHE *in the chair*]

*SHRI R. ANNANAMBI (Pollachi) : Mr. Deputy Speaker, Sir, on behalf of my party the A.I.A.D.M.K. I wish to say a few words on the 1986-87 General Budget.

I welcome the 65% increase provided by the Finance Minister for anti-poverty programmes in 1986-87 Budget. The Government of Tamil Nadu under the enlightened leadership of our Puratchi Thalaivar Dr. M.G.R. are implementing with verve and vigour the anti-poverty programmes and the 20-Point Programme. For the year 1984-85, Tamil Nadu and Maharashtra occupy the first place in this regard. For such States, the Central Government should allocate more funds for anti-poverty programmes.

It is said that by the end of 7th Five Year Plan all the villages in the country would have drinking water. In 1985-86 a sum of Rs. 298.83 crores was provided, but only a sum of Rs. 167.01 crores had been spent. The Centre has the unspent balance of Rs. 131.82 crores. Why should it be so? What happened to this balance of Rs. 131.82 crores? Why has it not been spent on drinking-water programmes? The hon. Finance Minister should reply to this point. In 1985-86 31,370 villages were planned to get drinking water, but only 17,128 villages got drinking water supply. That is due to non-allocation and non-spending of the specifically allotted money for this scheme. If such a negligent approach is adopted for such a vital scheme, then even by the end of 7th Plan all the villages will not have drinking water. This important scheme must be paid its due attention by the hon. Minister.

I welcome the increased allocation and added importance given to agriculture in 1986-87 Budget. Due to Cauvery water dispute, the agricultural production in Tamil Nadu is jeopardised. Though the World Bank has promised assistance for modernising Cauvery delta, this scheme could not be undertaken due to this dispute. The Central Government should intervene and ensure early resolution of Cauvery water

dispute. From 1974, for the past 12 years the farmers of Tamil Nadu are in great distress. I demand that the good offices of Centre must be exerted in the resolution of Cauvery water dispute.

In India the per capita availability of surface water is 0.14 mcft. In Tamil Nadu it is just 0.03 mcft. In 1978 Government of India appointed a Committee to go into the question of utilising the waters of west flowing rivers, which have surplus water of 218 TMC. All this water goes waste through Kerala into Arabian sea. For supply of drinking water to southern districts of Tamil Nadu, we require only 17 TMC of water. The National Water Development Agency should go into this question and formulate plans for execution in respect of making available 17 TMC of water from west-flowing rivers. Even the 1972 Irrigation Commission has referred to this important issue.

Next to water, electricity is the most important think for agricultural development. In 1989-90 Tamil Nadu will require 3300 million units of electricity. In 1994-95 the requirement of Tamil Nadu will be 10,200 million units. Tamil Nadu has fully exploited all the hydel potential for generating electricity. Only Thermal Power stations can be thought of in Tamil Nadu. But for that, coal supply must be ensured. Even the existing Thermal Plants are suffering for want of adequate supply of quality coal. The Central should permit the State Government to import substantial quantity of quality coal for Thermal Stations. One more atomic unit must be set up in Tamil Nadu. Koodangulam in Tirunelveli district was selected by a Panel of Atomic Energy Commission for this purpose. This place was chosen because of the proximity of Heavy Water Plant at Tuticorin. In 7th Five Year Plan the target is to produce 10000 mw of atomic power. If an atomic station is set up in Koodangulam, it will solve the power problem of Tamil Nadu.

The benefits of planning have not reached the rural people; they have no shelter, no primary medical facility, no education facility and though we have achieved self-sufficiency in foodgrains production, yet they do not get nutritious food—I am not saying these thing. These have been stated by the senior

*The speech was originally delivered in Tamil.

[Shri R. Annanambi]

Minister Shri Narasimha Rao in his Convocation Address to Roorkey University. Even after 6 Five Year Plans, this is the position. I do not know how many more Five Year Plans would be required to provide basic amenities for the rural people in the country. Mahatma Gandhi used to repeat that India lives in villages, but these villages are being neglected now.

Our Chief Minister Dr. M.G.R. wants to convert these villages into small towns. Before the elections to local bodies, he provided Rs. 1 crore for each Panchayat Union under the Self-Sufficiency scheme, i.e. for construction of houses, small bridges, good roads, school buildings, drinking water supply etc. Today the villages in Tamil Nadu look like small towns. If villages die, can India survive? If India is to survive, then the Central Government must provide basic amenities for all the villages in the country.

If the backwardness in southern districts of Tamilnadu is to be removed, then Sethusamudram canal project must be taken up for implementation. Even in the last meeting of National Development Council, our Chief Minister has referred to this. The southern shores will also get the necessary protection from this scheme. During the past 20 years several feasibility reports have been given about this. During the recent visit of Naval Chief to Madras, our Chief Minister has apprised him about the strategic importance of this Sethusamudram Canal project. This scheme must be taken up by the Central Government without further delay.

The other day our Minister of State for Agriculture, Shri Makwana made an incorrect statement in this House. He said that when he contacted the Chief Minister of Tamil Nadu about the cyclone relief measures, the Chief Minister's PA told him that the Chief Minister had gone to bed and he could not be disturbed. The PA wanted the Minister to tell him everything so that he would convey the same to the Chief Minister later. This is a wrong information. From October last year to January this year, the phone of PAs in the residence had been disconnected. At that time, the Ramavaram House of Chief Minister had been flooded

and the Chief Minister was staying in Connemara Hotel. It is not fair that the Minister of State should make on the floor of this House such incorrect statements. When the Government of Tamil Nadu is standing first in the implementation of flood relief measures and 20-point programmes, it is not proper for the Minister to make such allegations against the Chief Minister on the floor of this House. I would condemn this kind of remarks against a distinguished Chief Minister of a State.

With these remarks I conclude my speech.

DR. SANKTA PRASAD (Misrikh) : Mr. Chairman, Sir, the objective of the Congress and our Government is to take this country towards socialism and self-reliance. The budget presented by the hon. Finance Minister for the year 1986-87 is a firm and bold step towards that direction and I would like to congratulate the Finance Minister for this.

Sir, agriculture is the mainstay of the people in our country and 50 per cent of the income of the nation comes from agriculture. 75 per cent of the people of the country either do farming or are dependent on it for their livelihood. Much has been done and much more is required to be done for advancement of agriculture. We have become self-dependent in the matter of foodgrains and we do not have to import foodgrains any more whereas several countries of the world have not so far achieved self-reliance in the matter of foodgrains. It is a matter of pride for us and for this I praise the Government of India.

Our country has become self-reliant in the matter of foodgrains as a result of the untiring efforts of Shrimati Indira Gandhi, but in spite of this, much still needs to be done in this field. Even now we have to import commodities like oilseeds and sugar. Sufficient provisions have been made in the budget to increase the production of those commodities, along with oilseeds, in the country which we need so that self-reliance is achieved in them. In spite of all this, much more is still required to be done in this field.

Although we have enforced land ceiling laws strictly yet even today the big people hold agricultural lands in the names of different persons. Lakhs of acres of land is still in their possession which should otherwise have been given to the poor. I, therefore, request that the land ceiling laws may be enforced still more strictly so that production in the country could be increased....(Interruptions)..... I know that even today lakhs of acres of land is in the possession of the land grabbers in the names of persons whose whereabouts are not known. I want that the land should be given to the tillers, whereas today the cultivable land is with those who do not till it and are forcibly keeping it in their possession. Due to these land-grabbers, the land is not being properly utilised.

Sir, our Government have distributed a lot of land to the poor and have also issued leaseddeeds for these lands but the possession of the land has not been given to many poor people so far. Firm steps should be taken for providing possession of such lands to those poor people. For this, the Government of India should write to the State Governments that the lands for which leaseddeeds have been issued to the poor should be given possession of to them.

Sir, sufficient funds have been provided in this budget for the weaker sections of the society which will provide much relief to these people next year and they will be able to make progress. Similarly, adequate funds have been provided for providing employment to the people of the backward classes. But, Sir, out of the loans etc. given to these people by the banks, a large portion is swallowed by the intermediaries. I, therefore, request the Government that along with the provision of loans, arrangements should also be made for Central monitoring thereof. If such arrangements are not made, then the money will not be properly utilised and 25 to 30 per cent of the amount will pass on to other people. Therefore, Central monitoring system should be introduced.

Sir, the Finance Ministry and the Finance Minister have started a campaign against the hoarders and blackmarketeers, which is a bold step. Blackmarketeers and hoarders are running a parallel economy, because of which prices increase and the country's economy

suffers. If these hoarders and blackmarketeers are checked from indulging in such activities and concealed money is unearthed then our economy will be strengthened and the prices will stabilise which will provide relief to the common man.

Sir, 70 per cent of the crimes committed in our country and the society are economic offences. To check these economic offences, there is only one way before us and that is that we should strengthen the socialistic pattern in the country. With the strengthening of the socialistic pattern, these 70 per cent economic offences will be on the wane gradually. If you cannot do this, these economic crimes cannot be stopped. Pandit Jawahar Lal Nehru had said in 1936 at the Lucknow session of the Congress :

[English]

I quote :

"I see no way of ending the poverty, the vast unemployment, the degradation and the subjection of the Indian people except through socialism that involves vast revolutionary changes in our political and social structure, the ending of vested interests in land and industry. That means the ending of private property except in a restricted sense and replacement of the present profit system by a higher ideal of cooperative service. It means ultimately a change in our present habits and desires. In short, it means a new civilization radically different from the present capitalist order."

[Translation]

The history of the Congress and the country is witness that whenever any big issues or problems have arisen before the country, the Congress has faced them with firmness. Whether it was zamindari abolition, privy purse abolition, bank nationalisation, Bangladesh war or any other such important issue, the Congress Party and the Government of India always took steps with firmness. Even if we had to divide the party to safeguard the interests of the country, we did it. We remained undeterred by anything. Our leadership did everything to strengthen and develop the country.

[Dr. Sankta Prasad]

I would like to tell the Opposition Members, who often interrupt us here, that we divided our party on the basis of a number of issues in the interest of the country. Other parties are formed and they disintegrate but the history of our party is the history of nation-building. There is no doubt that the Congress Party has progressed and is on the path of progress. With these words, I congratulate the hon. Finance Minister and support this budget.

SHRI SHANTI DHARIWAL (Kota) :
Mr. Chairman, Sir, I rise to support the budget proposals of the Finance Minister.

While presenting the last year's budget, the Finance Minister had made announcement of a number of measures to promote savings and the positive results thereof are before us which have encouraged me to thank him. Although a number of proposals in this budget are unpalatable yet, on the whole, it is a balanced budget and so I congratulate him for this.

I welcome the issuance of another series of bonds of the public sector enterprises on which tax free interest is payable. I also welcome the open discussions that the Finance Minister has invited on the obstacles that are created by financial and non-financial elements in the developmental activities and on how to reduce the administrative expenditure.

The improvements made in the direct tax structure in the last budget resulting in increase in tax collection by 22 per cent and in personal income tax collection by 36 per cent are commendable. The proposals to spend more on the eradication of poverty, drinking water supply, electrification, power generation, etc., in the rural areas and on Defence in the current budget, are also welcome. The rebate in excise duty, particularly on medicines, is also a welcome step.

In his budget speech, the Finance Minister has invited views on how to check the generation of black money, effect economy in expenditure, mobilise resources for the Plan without adding to inflation, strengthen the economic structure of the public sector, encourage exports, and to have a favourable balance of trade and I would like to dwell on a few points.

So far as black money is concerned, although the campaign against black-marketeers, smugglers and tax-evaders has been intensified, raids have been conducted and fear instilled in them yet I do not think that it has checked the generation of black money or that any significant achievement has been made in this regard. I do not think that you will be successful in fulfilling your commitment to root out this evil because the generation of black money depends mainly on the real estate, immovable assets, stock exchange transactions and you have not paid sufficient attention to them, Government should pay special attention to these aspects. The Revenue Department has made an announcement that the Government can purchase any property at 15 per cent more price than its declared price. I would like to ask the Finance Minister as to in how many cases properties have been purchased by paying 15 per cent more than their declared price? Otherwise, what is the use of having such provisions in the law?

There is a general impression that the officers today have amassed a lot of black money. It should be made obligatory for them to declare their assets and then searches should be made of their premises.

There is large scale evasion of sales tax also. I think the sales tax should be withdrawn and an alternative should be found out which may enable imposition of tax at production stage itself. Imposition of taxes at different stages leads to greater tax-evasion.

Some scheme should be announced whereby black money may be declared and that may be allowed to be utilised for production and developmental activities. Earlier also, the Government had announced such schemes many times. There is such a scheme in Italy where the Government there have allowed the black money to be utilised for constructing houses.

Government should also consider ways of reducing their administrative expenditure. On the one hand the Government says that the petrol and diesel prices have been raised to curb their consumption but on the other hand, new cars are being purchased every day for Government departments and the officers are being allowed to make use of

them. The economy measures should first be implemented in the Government departments. If the consumption of petrol and diesel is to be curbed, then all the cars at the disposal of the Government officials should be withdrawn and sold in the market. The officers at all levels should be given car allowance, as is the practice in the private sector.

Sir, as soon as you ring the bell, I forget what I have to say...*(Interruptions)*

The workers and fixed income group people have been badly affected by inflation. Income of the workers has not risen in proportion to the hike in prices. Inflation has created inequality in income and wealth distribution. The rich have become richer and the poor, poorer. Inflation has of course benefited the traders and the Government but it has badly affected crores of agricultural labourers, marginal farmers, workers, pensioners and unemployed people. Under such circumstances, it becomes obligatory for the Government to take effective steps to curb inflation.

The losses in the public sector industries are also a matter of concern. We should invite capable managers from the private sector to set things right in the public sector. Besides, responsibility should be fixed on the managers of big industries under the public sector in case of losses so that mismanagement could be remedied.

Special attention should be paid towards augmenting our foreign exchange reserves. We have seen what happened in 1984-85 when we had a deficit of Rs. 5263 crores which is a matter of concern. More attention should be paid towards liberalisation of imports and such other matters...*(Interruptions)*

[*English*]

SHRI PARAG CHALIHA (Jorhat) :
Mr. Chairman, Sir, I thank you for the opportunity given to me to participate in this Debate on the Budget.

Sir, I happen to come from a State which in the recent past became the subject of much concern in this House as also in public forums elsewhere. The concern was more in dismay, and expressed more in animosity and vilification, than in proper and sober

appraisal in true perspective. More often than not, a whole people was unduly maligned. Thanks to the perseverance of our people and the statesmanship and political sagacity of the Prime Minister, the Assam Accord was signed and truth steadily coming to establish itself.

A country's Budget reveals the state of its economy. The Central Budget for 1986-87 envisages a continuing fight against poverty, providing relief to the common man, strengthening the public sector, strengthening self-reliance, boosting small scale industries etc. thereby opening vistas for a better tomorrow for our teeming millions. Without going deep into the intricate complexities of the economic objectives of our fiscal policies, I would like to lay bare certain aspects of the situation in Assam especially in economic spheres, so that the people at large may care to know and ponder why the N.E. region is so volatile. How could a country really prosper when regional imbalances are so deep-rooted, acute and vivid?

The Assamese people proudly share the country's age-old glory and rich heiritage in art, culture, civilisation, mythology, religion, language, etc. Though coming last under British hegemony Assam contributed not insignificantly to the country's struggle for independence and the country's first salvo against the Britishers was fired from Assam in 1830 A.D. Scores of people laid down their lives in the different phases of India's freedom struggle; hundre were maimed and thousands suffered imprisonment and made sacrifices in various ways. This new colleague of yours takes legitiatē pride in introducing himself first as a freedom fighter and then as one, who had to suffer very heavily in the 6 years old movement for preserving Assam's identity. The most unfortunate part of the sad story with us is that interested quarters here and elsewhere, have found fault with Assam and the Assamese people and have gone even to the extent of branding our recent movement as parochial, chauvinist, secessionist, anti-national and seditious. Here is before you an India, who would like to proclaim with all the emphasis at his command that he considers himself as no less Indian—certainly no less nationalistic—in feeling and in spirit than anybody sitting under the roof of this sanctimonious House and he would never countenance anybody

[Shri Parag Chaliha] else calling himself as a better Indian. Sir, while I am proud to be called an Indian, I do not see anything wrong if I introduce myself as an Assamese in as much as what is India but a conglomeration of a number of territories having distinctive linguistic, religious and ethnic groups who can be justly called sub-nationalities unequivocally identifying what India exemplifies the ideal country having established Unity in Diversity.

While propagating the ideals of swaraj in course of our struggle against the Britishers, we raised high hopes of a bright future for everybody in India—including of course Assam—that our vast resources will be harnessed for peoples, welfare, that economic and other modes of exploitation will be ended, that the days of hardship and misery will be over. And what have the people got? The history of 38 years of Assam in independent India is replete with chapters of deception, denial, deprivation, degradation, dejection and even decimation. Here is the peculiar case of a State, endowed with Nature's benign bounty, crying hoarse to get rid of undue exploitation, still keeping millions of its own citizens to rot in ruin and perish in misery and grope in prevailing darkness. Of Assam's 780 tea gardens, not even a tenth belongs to planters of the State. Nay, not even seventy managers of these 780 gardens belong to the State and not even seventy Assistants and Engineers out of a total of about 2000 such officers in Assam's Tea Gardens belong to Assam. Under the Britishers, at least the clerical staff came from the tea growing area, but in Independent India, these Gr III staff have been gradually replaced by recruits from outside the State. The Central Government—and curiously enough, the West Bengal Government—get more than what Assam gets in the form of varied levies, such as Excise duty, customs duty, income-tax, entry and exit permits etc. etc. In the ever growing Oil industry in Assam, not only almost the entire top brass but more than 75 per cent of Class I—and even Class II officers—belong not to Assam. Millions of cubic metres of natural gas are burnt out daily in hundreds of Oil and Gas wells in Upper Assam. Petro-chemical complexes and varied gas based ancillary industries could have been gainfully established by now, as has been done in Bombay or Gujarat, but

not in Assam. Millions of cubic feet of valuable timber have been daily felled—at times illegally also—and varieties of finished products have found the export market also. But who gains and at whose cost? The pattern of exploitation is the same as in Tea. When Oil was first struck at Digboi, about a hundred years back, the Britishers could set up a full-fledged Refinery at Digboi itself. But when fresh oil fields were explored in Upper Assam by the newly established ONG Commission and Oil India Limited, Assam's oil was designed to be taken 800 miles away to Barauni to be refined by a new Refinery, built-up there on purely political considerations. To appease the agitating people of Assam, a toy refinery was set up at Gauhati with an initial refining capacity of just 7.5 lakh tonnes against Barauni's initial capacity of 3.00 million tonnes—since raised to 6 million tonnes against Gauhati Refinery's recently raised 1.00 million tonnes. Royalty on Crude oil has remained a bone of connection for almost a decade now thereby adversely affecting Assam's strictly limited budgetary resources. Perennial floods bring untold misery to the people of this riverine territory. The State's resources are simply inadequate to tackle constant ravages by floods; but the Central Government's concern in this basic welfare sphere has so far been lukewarm. The Brahmaputra project has virtually been put in cold storage. Even the normal plan requirements of Rs. 150 crores asked for by the State Government for undertaking unavoidable flood basic control measures has been slashed by more than 50%.

Assam had to bear the brunt of the tragedy of partition. Lack of communication and other related factors for economic development warrant proper utilisation of the State's vast and varied resources locally. In the case of precious raw materials like oil, tea and timber they have been systematically taken out of the State for setting up economic centres outside the State. The single Railway-cum-road bridge which serves as the only link with the rest of India is the result of a long drawn movement. Same is the case with the Railway B.G. line which now extends only up to Guwahati, leaving most other parts of Assam totally untouched. The outdated meter gauge line was aligned to serve only the British tea planters. Railway travel in Assam is a traumatic

experience. Assam's only heartline remains suspended frequently during the monsoons. My people have for long been demanding extension of the B. G. line to Dibrugarh linking the District and sub-divisional towns like Nogaon, Golaghat, Jorhat and Sibsagar, which now remain excluded from the Main Railway line. Posts, telegraphs and telephones have become means of testing people's perseverance. This Member has to thank the Heavens if a letter from his home—a District Headquarters—reaches him within a week. Only in February, as many as six lightening calls over the phone booked from Delhi to Sibsagar had to be cancelled because the line was out of order. All this had a natural bearing on the people of Assam to feel that they are neglected.

To contribute to this feeling was the utter apathy of the Central Government and the national leaders to the menace posed by an unending influx of foreigners into Assam continuing unchecked—at times even lured and patronised by vested interests—ever since, and even earlier to the vici-section of our country.

Assam, as we all know, is a small State with hardly 2 crores of population. One can at once imagine the effect if and when as many as 40 to 50 lakhs of people from across the border came and settled there. Not only the demographic pattern is affected but the entire edifice of language, culture, administration and political system is threatened. If this is the logical consequence of a national problem due to partition, why should Assam alone be driven to the gallows? And why should people tend to forget that behind this systematic influx is a sinister political design? It is not for nothing that Maulana Bhasani, who had his initial settlement in Assam, used to gloat that his dream of Pakistan would remain unrealised if Assam is not included into its fold. People also tend to forget that the British Cabinet Mission proposed to tag Assam to form Group C states with what is now known as Bangladesh. Had it not been for Gandhiji's blessings and a mass movement by the people of Assam, our State would have been long lost. The Movement against the foreigners was, for all intents and purposes, a demonstration of the people for maintaining Assam's identity and India's integrity. Interested politicians, with mean selfish designs, how-

ever made if a partisan and worse still, a communal issue. They were more concerned with their votes than with the fate and future of a resourceful and integral part of Mother India.

A peaceful upsurge was sought to be quelled with lathis bayonets and bullets. As many as seven hundred youngmen and women who were all participants in a non-violent democratic protest were butchered. Hundreds of young girls and housewives became victims of mass rape. Not a drop of tear was shed in this august House, Why? In Assam's long history, the period from 1979 to 1985 will ever remain as the darkest chapter of the murder of democracy. We hear of midnight knocks by Hitler's Gestapo. This colleague of yours had to hear a hundred knocks in course of the last six years. Instances galore can be cited of school going lads killed from behind by police rifle-shots, groups of simple villagers herded together like cattle at night to be felled by firing squads, old women shot at the courtyard for just refusing to answer police queries, college going youth shot dead from behind by police and his father asked to carry a heavy load on his head while going to see the son's dead body. It was the last Congress (I) Ministry in Assam and the previous Government during the President's rule which infused the venomous virus of communalism and sectarianism into the body politic of our State. The entire atmosphere has been vitiated with considerations of caste, creed and community. Human values have been thrown to the winds.

Sir, my Party, the Asom Gana Parishad upholds national unity and solidarity. We fought the elections under the banner of unity, peace and progress. We want our great nation to prosper and with that end in view, we want every region of this great country to prosper and for that matter, we want Assam to come out of its present morass of economic backwardness and political oblivion.

[Translation]

SHRI R. P. SUMAN (Akbarpur): Mr. Chairman, Sir, I am grateful to you that you have given me an opportunity to express my views on the budget.

[Shri R. P. Suman]

Sir, this is a welcome budget. The main thing is that it is a balanced budget and it will take the country ahead towards the path of development. The direction of this budget, its targets, objectives and resources are all balanced. It will help the common man, the poor man, to make progress.

In the real sense there is nothing in this budget for which this can be criticised. When our friends in the Opposition did not find anything to criticise, they started making noise because they to criticise it. It appears to us that they are criticising it for the sake of criticism only.

Sir, in this Budget, provisions have been made for all the sectors. Measures have been proposed to strengthen the public sector; initiatives have been taken to speed up the programmes for eradication of poverty and adequate efforts have been made for taking the country towards the goal of self-reliance. In order to provide relief to the general public, initiatives have been taken for effective implementation of the self-employment scheme which was originally initiated by Shrimati Indira Gandhi in 1983. For this scheme, a provision of Rs. 130 crores has been made. It clearly shows how much the Government are alive to this scheme and they are working honestly, wholeheartedly and with integrity.

Sir, Rs. 100 crores have been allocated for expanding the khadi and rural industries, whereby the Government propose to set up a network of small scale industries. Government propose to set up these industries in those rural areas which do not have any industry and funds have been allocated for this purpose. Here, I would like to say that the rate of our population growth is very fast and that is why the progress being made by us is not having any impact on the people, although our country is making much progress. Hence the Government should pay special attention towards the population control programmes and more funds should be allocated for the purpose. Until and unless the population growth is checked, we cannot achieve the desired results in any field and we shall not feel the impact of the development. Therefore, it is necessary to adopt effective measures in this direction.

Although the Finance Minister has paid attention towards improving the health services yet quite insufficient provision has been made for them. Health is quite an important aspect. The fate of the nation is interlinked with the health of its people. It is, therefore, necessary to allocate more funds for health improvement measures. Adequate funds should be allocated for them separately so that the people may remain healthy and make the nation also healthy.

Sir, the Government have taken initiatives in the field of education and the new education policy will be before us shortly and adequate provision has been made in the budget for that, but we have to make it clear to the people that this amount will be utilised in a proper way in the rural areas and backward areas for the spread of education. Although some facilities have been provided there yet they are not sufficient. Our officials and other people do not pay due attention to them. Therefore, I request the Government to ensure that the State Governments utilise this amount for providing facilities in the rural areas and provide the people in the rural areas more and more educational facilities so that those people may be benefited by this scheme.

Besides, I would like to suggest that whenever there is any proposal to set up a new industry, it should be set up in those areas which are quite backward and far-flung and which are ridden with the problem of unemployment so that the people there may be benefited thereby. Now-a-days all the new industries are confined to those areas where a number of industries already exist.

Secondly, I would like to say that the Centre allocates funds for various projects but they are not completed within the scheduled time which creates many problems. In this connection, I would like to give an example of my own constituency where the work of Tanda Thermal Power Project is in progress at Faizabad in U.P. One unit of this Project was scheduled to be commissioned in 1984 and its total estimated expenditure was Rs. 159 crores. But Sir, you will be pained to know that that unit has not been commissioned as yet due to negligence. Now its estimated expenditure has increased to Rs. 300 crores and it appears that its one

unit will probably will be commissioned in 1987. By the time this Project is completed, its expenditure will increase from Rs. 159 crores to Rs. 400 or 500 crores due to sheer negligence. Sir, had this Project been completed according to the schedule, only the original estimated expenditure would have been incurred on it and with the amount of the escalated cost, another project of the same capacity would have been completed. Therefore, I request you to sanction full amount at the very first stage for such projects which are undertaken by the State Governments so that their work may proceed unhindered.

Sir, I would like to say about the Tanda Thermal Power Project that last year Rs. 63 crores were allocated for this Project but out of it only Rs. 11 crores were released upto the 31st December, 1985 and the remaining Rs. 52 crores were not released due to which this work remains incomplete so far. Therefore, I request you to accord top priority to such projects and sanction the funds immediately so that progress could be achieved.

Sir, the Government have introduced Accident Insurance Scheme for Railway Porters and sweepers of Municipalities which is a good step and the hon. Minister deserves appreciation for that. Personal Injury Insurance Social Security Scheme was implemented in 100 districts which has now been extended to cover 200 districts. I would request you to implement this scheme all over the country so that all the people in the country may be benefited thereby.

The people belonging to the schedule castes and schedule tribes are facing acute housing problem. I congratulate the Government for starting the Indira Housing Scheme to solve that problem and allocation therefor has been raised from Rs. 100 crores to Rs. 125 crores, but it will be useful only if it is implemented according to a time-bound programme and completed within the prescribed time. Then only these people can get houses and can be benefited.

Sir, it was said by the Finance Minister that the question of giving more powers to the Income Tax Officers was under consideration which is a welcome step. It is, of course, necessary to give them more powers.

But, at the same time, it is also necessary to have a check on them lest having unrestricted powers they should start harassing the people. At some places this has happened that powers have been misused by them for harassing the people. Such a thing should not occur again.

So far as blackmarketing is concerned, an extensive survey should be conducted regarding it because it is growing very fast. To check this evil, it is necessary to unearth black money and, for that purpose, raids should be conducted. Only then black-marketing can be checked and the condition of the country improved.

Sir, there are no two opinions about it that our country is developing very fast. One thing I would like to say about our farmers and that is that whatever programmes are started for the farmers, they are not implemented properly. It was said that the paddy purchase centres would be opened but they could not be opened and as a result of that the farmers were cheated and they had to sell their paddy at a very low price. Now I request you to open wheat purchase centres because wheat crop is about to reach the markets, so that the farmers are not cheated and their problem is solved.

With these words, I again welcome the budget and would like to draw the attention of the hon. Minister to the difficulties being faced by the people on account of the increase in prices of kerosene oil and diesel. It is a fact that the people have been very badly affected due to this increase and they are facing difficulties. I, therefore, request that the enhanced prices of these items may be reduced so as to provide relief to the farmers and other people. In the end, I welcome the budget and convey my thanks to you.

SHRI BHARAT SINGH (Outer Delhi) :
Mr Chairman, Sir, the budget presented by the hon. Finance Minister is being discussed here. This budget has been prepared with great care, prudence and wisdom. It will benefit the poor and the middle class people. It will help India progress rapidly. I rise to support it. This Budget has given relief to the small farmers, poor labourers, petty shopkeepers, small factory owners, Harijans, landless farmers and to all others,

[Shri Bharat Singh]

I would particularly like to say about agriculture. Our Government have given subsidy to the tune of Rs. 1950 crores on fertilizers. The benefit of this subsidy will go to those people who are poor and purchase rationed flour and also to the petty shopkeepers.

A crop insurance scheme has been introduced for the farmers. Fruits have also been covered under it. This scheme will benefit all the farmers, whether they are fruit growers, vegetable growers or wheat or rice growers. But the farmers will face some difficulty in this regard. The crop of only those farmers will be insured who take loans from the banks and not of the others. I would like to say that all those small farmers should be covered under this scheme whose holdings are not more than 2½ or 4 to 5 acres. Crops of all such farmers should be covered under this scheme.

A subsidy of Rs. 1750 crores has been provided in case of items of daily use. This will benefit the poor and if the poor become strong, India will naturally become strong.

This discussion pertains to the villages. I belong to Delhi. Under the 20 Point Programme, the Gram Panchayat allotted one acre land to each landless labourer by passing a resolution to this effect. Government have installed tubewells in those areas where 8 to 10 acres of land have been allotted to the poor. This has helped them to irrigate their land in this way they are growing enough foodgrains for their own use.

In Delhi, a residential plot is sold at the rate of Rs. 500 to 600 per sq yard but in our villages free plots are allotted to those Harijans and landless labourers, irrespective to their castes, who have no house to live in. The Panchayat has to incur Rs. 10 to Rs. 20 on them. This is all being done under the 20 Point Programme.

The subject of education has been discussed at length in the House. There are no two opinions about it that the illiterate are also being imparted education now-a-days. A larger number of schools are being run. Encouragement has been given to education. A sum of Rs. 221 crores was

allocated for education in the previous budget which has now been increased to Rs. 352 crores in this budget. I would like that the increased allocation for education in the budget should be utilised in the villages and in resettlement colonies to the maximum, where poor people live. Buildings should be constructed there for schools. Maximum efforts should be made for providing education to the people in a better way.

There is no college of agriculture in the villages of Delhi. The villagers and the Pradhan of the villages are prepared to offer land free of cost for agricultural college. If such a college is opened in the villages, more and more students will get education there and in this way their knowledge in the field of agriculture will increase.

16.00 hrs.

Lakhs of people live in the resettlement and unauthorised colonies. They do not get electricity connection for their small tenements. So, they use electricity by putting across a wire whereby the same expenditure is incurred. If they are provided electricity connections on regular basis by installing meters, the Government will earn revenue and the people will get electricity. Persons belonging to Haryana, Rajasthan, U.P. live in these unauthorised colonies. Besides, the drivers and conductors of D.T.C. also live there. I think they should be provided with the facilities of electricity and water in such colonies.

The condition of the resettlement colonies in Delhi is quite deplorable. The people who came from outside and settled in Jhuggi-jhonparis are living there. The late Prime Minister Shrimati Indira Gandhi had once said that they would be provided with roads and drains. A large number of landless and people of weaker sections live in these colonies. There are large tracts of land lying unused there. If industries are set up over that land, the poor will get employment and they will not have to go for jobs in the congested areas of Delhi. They will get jobs in those very areas.

You know that the population of Delhi is increasing and as a result thereof difficulties arise in providing facilities of

electricity, water and transport for them. I would suggest that responsible officers should be posted in the resettlement colonies and in the districts who may guide the people about the jobs that are available to them near their homes and about the means by which they can earn their livelihood there. If such arrangements are made then they will not have to come to Delhi and they would get jobs at their doorstep.

The D.T.C. fares have been increased. We can reduce its impact by other means. It would be better if jobs are provided to the poor people within 10 kilometres of their places of residence. In this way, they will have to pay less fare and there will be no need of reducing the fares. The poor can get relief only when we pay attention towards them.

It is often said in the House that the rural areas should be developed. Today, subsidised loans are provided to the carpenters, blacksmiths, potters and to others. Loans to the tune of lakhs of rupees are provided to the beneficiaries in Delhi alone. I would like that the banks should provide loans to the owners of small scale industries, petty shopkeepers, artisans, labourers, mill-owners and vegetable vendors so that they may be able to raise their standard of living. You know that our young Prime Minister also tries to see how the poor people can be uplifted and how work can be provided to them so that the country may become strong.

I have another suggestion to make. Our area is a rural area and some training schools should be opened there so that as soon as the young students come out of the schools they may be able to get training in different trades there. Thereby, they will be able to stand on their own feet.

In the end, I thank you for the time that you have given to me to speak.

16.05 hrs.

[SHRI ZAINUL BASHER *in the Chair*]

SHRI SULTAN SALAHUDDIN
OWAISI (Hyderabad) : Mr. Chairman, Sir,
every year budget is presented and every year on the budget eve the people of the

country pass through a time of suspense regarding the outcome of the budget, because every year taxes, are being enhanced. Hardly there was any year when the taxes were not enhanced. With the tax enhancement, the prices also rise which causes hardships to the people, but every year it is said that such and such provisions have been made for the poor and when we analyse the statistics we find that the poor are becoming poorer and the rich are becoming richer. But now, a new method has been evolved whereby the people should not get shocking news all of a sudden. In accordance with that new method, one month before the budget, the prices of petrol, diesel, kerosene oil and cooking gas were increased and the argument given for this price rise was unique. It was said that petrol consumption had increased and that was why its price was increased. It means that on the one hand the prices were increased to curtail consumption but on the other hand prices are increasing and due to this the poor people are facing difficulties. Then, your argument becomes laughable when we see that the motor vehicle industries are being expanded and the number of motor vehicles is also increasing. In such a situation we are unable to understand as to what the correct thing is.

In the budget you have should a deficit of Rs. 3,650 crores which will increase inflation and create problems for the people. Prices had increased considerably during the last year and if this process continues, where will it stop? Meanwhile, we will have to pay Rs. 445 crores more.

Today, if we compare our country with those nations which got independence after the Second World War, we find that Atom bombs were dropped in Japan, Germany was divided, Chinese were said to be opium-addicted, but in comparison with these countries what is our development even after so high budgetary provisions? I do not say that we have made no progress. What I mean to say is that in our car industry we are manufacturing cars but after six months all parts of the cars start deteriorating except their horns. This is the state of our progress. If we ask the manufacturer he simply says that after paying so many taxes how a good car can be produced.

[Shri Sultan Salahuddin]

Then, I have also seen the theme of your speech, major part of which was related to the political issues. It appeared that a major part of the budget speech was related to your party manifesto and could not be part of the budget, although you made it a part of the budget. You should have brought all those things under the Plan. You said that such and such provisions were made for the schedule castes and schedule tribes. I agree to it and I too have sympathy with them, but your speech appeared to be like a manifesto for political purposes. Had you brought all these things under the Plan, the time of the House would have been saved.

Then another question arises. When you mentioned all these things, there remains the most important aspect of this country and that is of the minority, which I think, in the strict sense cannot be called minority. Have you said anything about the minority in the budget speech? Have you said anything about the well-being of the Muslims whose number is in crores? You should have proposed some programme for their well-being and for raising their living standard. Will your speech bring about integration in the country or create differences? Such a speech will tend to affect their minds because these poor people have been deprived of everything. Only one thing remains with them and that is that when they get up in the morning they hear the news of riots and destruction of lives and property caused somewhere. Have you any scheme to stop all these things? Every morning it is heard that such and such mosque has been snatched away. Babari mosque had been seized and there was strong reaction to that all over the country. Have you any method of checking all these things? Have you done anything to stop all these things? It seems that you did nothing to check such happenings in the country and every day 500 years' old matters are being revived that the mosque was built by Babar 500 years back but it is not there now. You may please tell me what is all this? Were the Central Government or the U.P. Government, where your party is in power, unable to do anything to check all this? Government should come forward to prevent such things from happening and maintain law and order.

Here I would like to say one thing more. Nothing has been done for the development of Hyderabad after Nizam's rule. At that time, the total population of Hyderabad was three lakhs and two tanks were constructed to meet their water requirements. Today its population is 20 lakhs and the people pine even for a drop of water. When the people open the taps they find the water just trickling. I want that the hon. Minister should pay some attention towards Hyderabad also. You at least provide funds so that water supply could be arranged there and other necessities could also be provided. Drainage system is not there. When you are allocating Rs. 100 crores for Bombay and for other big cities also assistance is being provided.....

MR. CHAIRMAN : Please conclude.

SHRI SULTAN SALAHUDDIN
OWAISI : Herer I have been reminded of an urdu couplet of Iqbal :

*Yeh dastoore zubaan bandi kaisi hai
teri mehfil main*

*Yahan to baat karne ko tarsti hai
zubaan meri.*

I would like to say that this increase in taxes has now become unbearable., I can recall that incident when Nadir Shah had ordered a massacre of the people in Delhi. When all the people were being murdered in Delhi, then Asif Shah Abbali went to Nadirshah and recited a persian couplet, which meant : "O Emperor, all the people have been killed and if you desire that I should kill more people, then you have to first revive all the dead ones and then kill them." That is exactly the condition of the poor people today. Time is short and whatever was said on T.V. that I would not like to say here. Differences are being created within the country. However, please think over all these things. There are so many problems in Hyderabad. There is no industry there. There are some areas there which perennially suffer from famine and they are pining even for a drop of water. Unemployment is there and poverty is there. You are requested to pay attention to that so that the people are saved. Today morning itself I was informed on telephone that the people there are pining for a drop of water, and now water will be supplied to them after two days so that nobody could

have even tears to weep. Now the condition is like this :

*Beharhal ab inse shikwa kya karen
Jab tawakko hi uth gai Galib
Kyon kist ka gila kare kot*

We expect that you will pay attention towards them otherwise the conditions will become from bad to worse.

The problem of drinking water is acute in Hyderabad. I have received a message on telephone today that water is available there once in two days and that too for two hours only. The water pressure is low like the tears of a widow. It comes just in drops. No timings have been fixed to enable the people to know when the water will be available. The water flow from taps is whimsical. Sometimes water comes in the taps at two o'clock in the night just for two hours. If the people stand in the queue for water in the night up to 4 o'clock, they will have no energy left to go for work in the morning. These are the conditions prevalent there.

Sir, we see in the films how a hero comes across a heroin and falls in love with her, then they sing a song and marry and then a child is born to them. But the films are confined to a period of five years of life only. Since I like films, I think things must be probably happening like that in life. But this is not so.

However, I am thankful to you for giving me an opportunity to speak.

SHRI JUJHAR SINGH (Jhalawar) :
Mr. Chairman, Sir, as the time is very short so I would speak only on the important issues.

Many things have been mentioned in the budget, and all of them are important, but I would like to draw the attention of the House particularly to the anti-poverty programmes and the agriculture. 50 per cent more allocations have been made in this budget for poverty eradication programmes which is a welcome step.

Sir, so far as the poor people are concerned, money is of course needed for the eradication of their poverty but the success

or failure of these programmes depends also on how far the people through whom these programmes are being implemented are performing their job effectively in the rural areas. The agencies which are working at present in the villages, whether they are B.D.Os, Gram Sevaks or Primary Health Centres, it seem that they are not working properly. It has been my experience that 75 per cent of the employees working in the Primary Health Centres do not remain on their seats and they somehow manage to remain away to other places or absent themselves from their place of working.

Our family planning programme is the most important programme and if the employees who are supposed to implement it do not remain in the villages then how it can be successful.

Sir, labour intensive programmes should be undertaken to eliminate poverty in the villages. Such programmes can be taken up in my State on a large scale. Rajasthan is a backward State in India and the maximum wasteland can be found there. I have got figures with me which show that the most serious problem of soil erosion is there in Rajasthan. According to the all India figures, 998.76 lakh acres of land is facing the problem of soil erosion, out of which Rajasthan accounts for about 172.65 lakh acres of such land, which is larger than that in any other part or State of the country. The number of Maharashtra is the second and that of Madhya Pradesh the third amongst the States which are suffering from the problem of soil erosion. Our Government have started a number of anti-soil erosion works to combat the problem of soil erosion on which work is being done. But so far only 12.56 lakh acres of land has been covered. The hon. Finance Minister has introduced a new programme of Waste Land Development. In regard to that I would like to say that the work on that should be done with a greater speed. Not only that, according to the Farm-Forest standard ratio there should be 33 per cent of forest land and the rest should be the farm land. Against this, in Rajasthan there are forests in 9 per cent area only. Actually, even that 9 per cent cannot be called forests although the area is of course that of the forests. If we see the forest area of Rajasthan we shall find that it does not come

[Shri Jujhar Singh]

to even 10 per cent of that. You can imagine the magnitude of the problem from this. I think if priority is given to programmes pertaining to forests in the poverty eradication programmes, it will give employment to more people and there will also be growth of forests in Rajasthan.

I represent the south-eastern part of Rajasthan which traditionally abounds in forests but today that area contains the maximum ravines. It is said that there is pressure on jungles due to the shortage of fuel, and as fodder is to be provided to the cattle so it results in the destruction of forests. But, Mr. Chairman, Sir, my experience is that the cause of the denudation of forests is not grazing or the need for fuel. Most of the forests are in fact being denuded due to the collusion between the contractors and the officials of the Forest Department. The timber forests are not being denuded for fuel and so far as the wild life is concerned, the poor man never kills animals. The way in which destruction of wild life and timber is taking place in the south-eastern Rajasthan, that shows that all this is taking place due to the connivance. It is an admitted fact that no one fells timber trees for fuel. The officials of the Forest Department and the smugglers are in league with each other and it is they who fall such trees. Prompt action is needed to check soil erosion in eastern Rajasthan. There are ravines in that area. By undertaking afforestation programmes that area can definitely be developed. In my opinion, the social forestry or the plantation programmes are by themselves no doubt proper but insofar as traditional forests are concerned, by mere fencing or putting up enclosures or by not allowing the movement of cattle a lot can be achieved. There is no need to spend much money on that because seeds are already there in the soil which are sufficient to germinate. Only supervision is needed for the growth of trees. So, I would like to request that instead of undertaking new programme, we should carry out proper supervision and then only we can stop the destruction of the forests.

Sir, Rajasthan is supposed to have forests in 35,891 square kilometer area, but

actually there are degraded forests in 22,891 kilometre area or there are bare hills devoid of any trees. There is not a single bush in 11,500 square kilometre area. Under the Waste Land Programme, which is in operation in Rajasthan, attention should be paid towards the growth of forests there. Only then it will yield some good results.

Mr. Chairman, Sir, you are asking me to conclude my speech so I would not take much time. I have been told that destruction of forests has taken place in Rajasthan during the recent years at the rate of 540 acres per day. This itself is a serious matter particularly in a State where there is already a dearth of forests. All these irregularities have been mostly due the officers. The major flaw in the functioning of the poverty eradication programme and other development programmes is the negligence on the part of the officers. It is due to their negligence that these rural programmes have not been implemented properly. If these officers do not give attention towards the implementation of these programmes, it would never be possible to implement them. So, I would request you that instead of looking at these programmes in terms of funds, efforts should be made to get these programmes implemented by these officers. Some way should be found out to make these officers capable of implementing these programmes. Then only the country can be benefited by them.

Sir, the most important person in a district, who is responsible for the implementation of these programmes, is the collector. But, Sir, now-a-days experienced persons are not appointed as Collectors and instead the I.A.S. officers are appointed as collectors, who have little knowledge about the district concerned, its problems and its people. Moreover, they do not bother to acquire such knowledge. So, only such persons should be appointed as Collectors as have experience of the rural areas, as understand the people of the district concerned, the problems of the villages of that district and as may be interested in solving their problems. If such persons are not appointed on this key post, the implementation of these programmes will not take place. I would again request that suitable persons should be appointed on this

district level post for implementation of these programmes.

***SHRI V. S. VIJAYARAGHVAN (Palghat)** : Sir, I rise to support this Budget. This is an important step which will take us towards the 21st century. This budget envisages a total income of Rs. 48767 crores and an expenditure of Rs. 52862 crores leaving a deficit of Rs. 4095 crores. It is estimated that the receipts from fresh levies will be of the order of Rs. 445 crores. Thus the real deficit will be Rs. 3650 crores. Last year the total deficit including the amount of Rs. 1628 crores which was given to the States by way of medium term loans for meeting the over draft problems, was of the order of Rs. 6118 crores. Thus we find that compared to last year the budgetary deficit for 1986-87 is much less. However, the Govt. should bear in mind one important thing. Last year the original budget deficit envisaged in the budget was Rs. 3316 crores which went upto Rs. 4490 crores according to the revised estimates. That is to say the deficit had gone up by 1174 crores. The fact is that in spite of 22% increase in the tax revenues the budget deficit increased. Therefore, I request the Govt. to see that the deficit is not allowed to grow and get out of control and inflationary pressures are not generated.

This year's budget is a budget in favour of common man particularly the middle class and people belonging to the fixed income group. This will be clear from the reliefs given by the Finance Minister in the budget. First, the relief on account of income tax is very welcome. It is the people belonging to fixed income group who are hit hard by inflation and price rise. Therefore, I support this measure whole-heartedly. In this context I want to make a request to the hon. Minister. Government pays dearness allowance to its employees from time to time. This is meant as a cushion against price rise but it is unfortunate that they should be asked to pay income tax on this amount also. I understand that in some cases the employees had to pay twice as much amount as tax as they get as A. D. because the income slab changes by getting a few instalments. Then where is the relief ?

Therefore, my request is that the entire D.A. should be exempted from income tax. If that is not possible at one go at least 50% of the D. A. should be exempted from income tax.

Another speciality of this budget is that it has provided 65% more in terms of allocation for anti poverty programmes like IRDP, NREP, RLEGP etc. This shows the Government's commitment to the irradiation of poverty, and unemployment and thus to improve the living conditions of weaker sections. The allocation for NREP has been raised from Rs. 230 crores to Rs. 443 crores. The allocation for RLEGP has been raised from Rs. 400 crores to Rs. 633 crores and for IRDP from Rs. 283 crores to Rs. 428 crores. Similarly, an amount of Rs. 125 crores has been provided for housing construction for the benefit of the scheduled caste and scheduled tribes, and bonded labours. From this it is clear that the basic approach adopted in this budget is to ameliorate the living conditions of the poor. The late lamented Indiraji, had always strived to help these poorer sections. It was a dream to see these sections leading a decent life. This budget is aimed at fulfilling that dream. I congratulate the hon. Prime Minister Shri Rajiv Gandhi and the hon. Finance Minister for this.

The MODVAT scheme is a new experiment in the tax sector which is meant for reducing excise duty on many commodities and thereby giving relief to the consumers. Similarly, the finance Minister has made an announcement that a direct taxes code which will remove the deficiencies in the present tax system and rationalise it, would be introduced by June 1986. This is a welcome announcement. This is an indication of the attractive innovations which are going to be introduced in this sector. Thus I can characterise this year's budget as a budget of reliefs and concessions.

Sir, the budget gives us the total picture of the developmental efforts. Its aim should be all round development of different regions in the country. For that reason it. If discussion of the problems of the State has great relevance in a debate on the budget.

*The speech was originally delivered in Malayalam.

[Shri V. S. Vijayaraghvan]

Therefore, I would like to present some of the problems being faced by my State of Kerala before this august House. Sir, if you determine a poverty line for the States Kerala perhaps would be one of these who remain below that poverty line. It is a State which always faces financial problems. It is facing problems in finding resources for completing the various plan projects. Even the Central assistance and the money collected from within the State are not enough to meet the requirements. The Planning Commission is not favourably disposed towards the States. In such a situation the State can some how meet the day to day expenses, and it cannot meet the requirements of new plan projects. This is the reason why industrial development has not taken place in Kerala and the problem of unemployment has become acute. We must find an immediate solution to this problem. What is required is an increase in the plan outlay. Therefore, I would request the Government to raise the annual plan outlay of Kerala.

The sharp decline in the price of coconut has ruined the economy of Kerala. The coconut which was selling at Rs. 4 per nut in 1983-84 is selling at below Rs. 1 today. The request made by the Govt. of Kerala that a floor price should be fixed for the coconut and it should be declared as an oil seed has not been accepted by the Centre. If these two steps are taken we would be able to provide relief to lakhs of coconut growers in Kerala. Therefore, I request the Central Government to take an immediate decision in this matter. Steps should also be taken to increase the internal consumption of coconut oil.

Now, I come to the question of industrial development in Kerala. In the third fourth and fifth five year plans no central investment worth the name has taken place in Kerala. That is why industrial development has not taken place in that State. How can a Government which struggles hard to meet the day today administrative expenditure invests money in industries? Therefore, what is immediately required is substantial central investment in the central sector in Kerala. After the Government headed by Shri K. Karnakaran came to power there has been peace in the industrial sector. Today

there is a very congenial climate for investment in industries—I hope that the Central Govt. will take suitable steps in this regard.

Sir, the Government has made the provision of Rs. 139 crores for the development of tourism in the 7th five year plan. This amount is 93% more than the allocation made for this purpose in the 6th five year plan. I am happy that the Govt. is preparing a comprehensive plan for the development of tourism which earns us large amount of foreign exchange. In this context I want to say a word about the vast potential for tourism development in my constituency that is Palghat. Many areas in this district have immense potential. A demand was made some time back that a tourist complex linking important tourist centres of the district like Malampuzha, Parampikulam, Nelliampati and sillent vally should be set up in the district. But no decision has yet been taken in this respect, I take this opportunity to reiterate my demand. I hope that the Government will take appropriate steps to meet this demand.

Sir, the House discussed the drought situation in the country a few days ago. On this occasion I would like to bring it to the notice of the House that many areas of my constituency, Palghat are in the grip of a severe drought. Most of these areas lie under the rain shadow region of the Western Ghats. Therefore, these areas are prone to recurrent drought. There is no drinking water available in many affected areas. Large number of cattle have died depriving a large number of people of their only means of livelihood. The farmers who took loans from the bank find it difficult to repay them. In these circumstances Central assistance is absolutely necessary, to save people from starvation. I request the Central Government to take immediate steps to save the people of Palghat from drought. I would request that a Central team may be sent to Palghat to study the situation and suggest relief measures.

Sir, the Kuriarkutty-Karapara multi-purpose project is an important project which is pending clearance by the Central Government. I take this opportunity to request the Government that at least the irrigation part of the project may be cleared

so that the drought prone areas of Palghat would get water.

Finally as I have already said this is a budget of reliefs and concessions for the common man. I once again congratulate the hon. Finance Minister for presenting a budget in favour of the poor people of this country.

[English]

SHRI N. V. N. SOMU (Madras North) : Mr. Chairman, at the outset I want to say that the Government should forthwith dispense with the practice of pre-budget taxing. It is against the democratic principles. Even after increasing the administered prices which will yield to the Government Rs. 2,00 crores our budget has a deficit of Rs. 3,650 crores. In the anti-poverty programme the Finance Minister included the urban disadvantaged population, like Rickshaw pullers, porters, cobblers washermen, barbers, cart pullers, etc., and he has brought some relief measures for them.

The Tamil Nadu Government under the leadership of Dr. Karunanidhi took many progressive measures almost fifteen years back. He abolished the man-drawn rickshaws and introduced the cycle rickshaws, A Slum Clearance Board was established and a sum of Rs. 40 crores was allotted for constructing houses for the down-trodden. His distribution of spectacles to the poor was highly appreciated by many people then. He has created a beggars rehabilitation scheme also to look after the welfare of the people. We have implemented all these measures fifteen years back.

SHRI P. KOLANDAIVELU : Untold story !

SHRI N. V. N. SOMU : But our Finance Minister is now at the introduction stage.

A legal luminary, Mr. Palkiwala quoted Prof. Raj Krishana saying that "anti-poverty programmes have a tendency to degenerate into pro-party programmes". Loan melas are made as party functions. As for as Madras dity—my constituency—is concerned, the North Madras District Congress President and South Madras District Congress President were given 10,000

loan forms each. Why not our District Party Secretary be given some loan forms ? In the loan melas even the names of concerned MPs are not printed in the invitation. By spending public money, the loan melas are converted into mere party functions. This should be avoided.

The Finance Minister lays great emphasis on the National Rural Development Programme. This programme generated employment to the extent of 265.66 million mandays in 1985 as against 264.22 million mandays a year before. The amount of fund utilised for the programme in 1985 was Rs. 439.67 crores as compared to Rs. 409.08 crores in 1984. Here I have to say that the step-up in anti-poverty programmes implies high proportion of revenue expenditure. Poverty can be eradicated effectively if supplies of wage goods at all micro levels, are abundant, if employment rises faster than labour supply is growing and if prices of wage goods are lower or at least stable. But the prices of essential wage goods like foodgrains, sugar, edible oils, kerosene public and utility transport charges, are soaring sky high. In 1976 one kg. of rice was sold at Rs. 2.20 and now it is sold at Rs. 5.20.

SHRI P. KOLANDAIVELU : On a point of order. In which State rice is sold at Rs. 5.20 ?

MR. CHAIRMAN : This is not a point of order. You can reply to him when your turn comes.

SHRI N. V. N. SOMU : Coconut oil was sold at Rs. 10.60 and now it is sold at Rs. 27, pepper was sold at Rs. 17 and now at Rs. 60, gingili oil was Rs. 9.50 and now Rs. 19, refined oil was Rs. 7 and now Rs. 20, sugar was Rs. 3 and now Rs. 6.50, chillies Rs. 8.40 and now Rs. 16, turmeric, which womenfolk apply on their face daily, was Rs. 14 and now Rs. 60. The purchasing power of the people is getting crippled day by day. The Government should immediately take drastic steps to stop this steep price increase.

The Finance Minister in his Budget speech announced that he was abolishing the excise duty on kerosene stoves. But he has already increased the price of kerosene. This way, you are pinching the child as well as rocking the cradle.

[Shri N. V. N. Somu]

With regard to oil policy of the Finance Minister, when the price of oil is coming down in the world market from about \$ 36 per barrel to \$ 15 per barrel, which is less than half the price, why the Finance Minister is thinking of spending Rs. 4600 crores on import of oil as against Rs. 3500 crores last year. This is an avoidable expenditure. Instead of that, he should concentrate on oil exploration and extraction especially in the east coast of Tamil Nadu, which is full of oil. The price hike did not leave the newspapers also. The latest massive price hike is about Rs. 1,000 and Rs. 1,600 in respect of Nepa mills with effect from December 1985 in violation of the assurance given by Shri Veerendra Patil, the erstwhile Industry Minister that the industry would be consulted before any price escalation is allowed. This will undoubtedly shatter the viability of the newspapers. This will force them to increase the selling prices of newspapers and advertising rates. Thus, the newspapers, the readers and the advertisers are going to be penalised for the inefficiency and the very high cost of operations of the indigenous newsprint mills. At the end, it is only the newspaper employees, who are awaiting the Wage Board's recommendations, who will be the final sufferers.

A recent study made by the Economic and Science Research Foundation showed that if there had been no delays in the implementation of the plans, the national income would have increased by Rs. 1,20,000 crores annually, exports would have risen by nearly Rs. 9,600 crores annually, annual production of foodgrains would have been higher by 54 million tonnes, 40.4 million jobs would have been created, per capita income would have increased three-fold. So, the Congress Government is responsible for all these drawbacks.

Before I conclude, I quote Mr. Palkhiwala. He said: "The world 'progress' is almost the exact opposite of Congress".

[Translation]

SHRI JAIPRAKASH AGARWAL (Chandi Chowk): Mr. Chairman, Sir, I want to congratulate the Finance Minister for presenting a budget which is in the in-

terest of and beneficial to the poor, peasants, workers, small scale industries, wayside hawkers and ricksha pullers. He has, under the leadership of Shri Rajiv Gandhi, given a new direction to Shrimati Indira Gandhi's policy of poverty alleviation from the country.

I want to congratulate the Finance Minister that he has not imposed any duty on cotton and manmade fabrics of value upto Rs. 50; has increased exemption on shoes up to Rs. 40 and removed excise duty on knives, combs and umbrellas. The funds provided for small scale industry in IDBI will provide impetus to the industry. The enhancement of ceiling in investment from Rs. 20 lakhs to Rs. 35 lakhs will go a long way to benefit the small scale industry. The people are happy that the excise duty on 41 medicines have been withdrawn.

The small scale industry will face a little difficulty due to this budget. The exemption limit which was Rs. 20 lakhs for the small scale industries have been reduced to Rs. 7.5 lakhs which will result in difficulties in running the business and also more harassment would be caused by the inspectors. You have made it compulsory for the small scale industries with Rs. 7.5 lakh investment to register themselves. This will create difficulties for them because many of them come under the non-conforming areas where they cannot get licence. The excise licensing limit should match the exemption limit. The exemption which was available to the industries with 49 workers or 2 HP electricity run small industries should be restored. Many small scale industries are located at different places. In such units where atmosphere is not proper, there can be difficulty in expanding the business. I appeal that factories should be constructed for the small scale industries in the same way in which you are constructing houses for the poor, so that they are able to run their business properly.

Now I want to draw the attention of the hon. Minister to the toy industry. There about one thousand small scale industries engaged in this trade whose turnover is about Rs. 50 crores. Earlier there was exemption upto Rs. 20 lakh on small scale industries manufacturing toys but now duty has been imposed on them and that too

between 5 per cent and 15 per cent. On the raw material for small plastic toys, there is already 30 per cent duty imposed. The refund on material will be given only to those who purchase raw material directly from the manufacturers. Industries with more than Rs. 5 lakh turnover will have to get themselves registered with the Excise Department. This will cause difficulties to the small scale industrialists.

I want to draw your attention towards one thing. There is duty on 'Baby-walker' but there is no duty on 'Tri-cycle' which is also used by the children. Similarly, there is no duty on sports goods. The toys which are used by the children should also be free from duty.

I want to draw the attention of the Finance Minister to leather industry. Earlier duty was levied on the leather cloth of the manufacturer *ad valorem* but now it has been raised and imposed on per square metre. This has resulted in 491 per cent increase in duty on the cheap cloth and 65 per cent decrease in duty on the fine cloth. Earlier there was duty of Rs. 1.75 per metre of cloth whose rate was Rs. 5 per metre. Now it has been increased to Rs. 10 per metre. But duty on the finest leather whose rate was Rs. 100 per metre and on which duty was Rs. 35 per metre has now been reduced to Rs. 12.5 per metre.

Mr. Chairman, Sir, I want to submit two or three points about exports. The people engaged in exports are facing many difficulties. There are many incidental expenses which they have to bear. If you want that the exports should increase then the rate which has not been fixed at 10 per cent should be increased to 15 per cent. Cash incentive quota should be given on items.

[English]

The interest on pre-shipment credit should be 'Minimum' or it should be 'Nil'.

[Translation]

In Pakistan no interest is charged on pre-shipment credit upto 160 days. If we want to earn more foreign exchange then

there should be no tax on it for 3 to 5 years. Cash incentive rate in Pakistan is 28 per cent; in China it is 40 per cent but in India it is only 5 per cent. If we want to increase our exports then we should increase our cash incentive rate.

[English]

SHRI SALAHUDDIN (Godda) : Sir, credit must go to the Finance Minister of India for presenting such a balanced and optimistic Budget for which I am most thankful to him.

Sir, so far as the GNP is concerned, it touched an all-time peak in the economic history of India and it has set up a new record. In the same manner, in the case of industrial development, we have reached a new record, an increase of 50% over the figure of the previous corresponding year. I think that this is a very remarkable achievement. I think that this Budget symbolises a watershed in the economic history of our country. The Finance Minister is very courageously taking this risky step in the greater interest of the country. This Budget will boost up our financial control, financial administration and financial discipline because a new economic atmosphere is created. Various steps are envisaged to curb hoarding and blackmarketing.

Food and fertilizer subsidies have now reached the figure of Rs. 3,700 crores, an increase of 40 per cent per annum. This is a very good symptom in a developing country like India. It is no doubt a good subsidy, but there should be some criterion for granting the quantum of subsidy. I mean to say that the criteria should be different for different persons. If a millionaire is getting the same amount of subsidy as the poor man gets, I think this is not justified. In the case of rice, wheat, petrol and other products the poor are getting the same amount of subsidy as the millionaire is getting. I think there must be a progressive system or criterion for grant of subsidy that should be adopted by the Finance Minister of India. This is my suggestion and I think the Finance Minister will give weightage to it.

In the same manner, in the current year we are likely to pay nearly Rs. 1100 crores

[Shri Salahuddin]

more for oil imports, thus the net foreign exchange outlet makes it Rs. 4,600 crores. This is the expected amount out of our imports. It is my suggestion to the Finance Minister that the small scale sector should be given more concessions and more facilities. There are hardships and restrictions on the small scale industries so far as the export trade is concerned. Liberalisation of export policy particularly in favour of small scale trader, I think, will give a new life to him.

MR. CHAIRMAN : Please conclude.

[Translation]

SHRI SALAHUDDIN : I will finish my speech within two minutes.

I come from an area which is the most backward tribal area of Bihar. I want to draw the attention of the Finance Minister to Santhal Pargana which is situated in the interior of Bihar. The tribals of that area have not been provided with the facility of television so far. I want to propose to the hon. Minister that in Santhal Pargana a television transmission station should be installed immediately and the tribals of the area be provided with television facility.

It is a matter of regret that in spite of such a long period having passed after independence no rail line network has been provided in the tribal belt of Santhal Pargana and even in its headquarters, Divisional headquarters there is no rail station.

Alongwith it I also want that in the budget separate provision should be made for the development of the tribal belts. The reason for this is that when you provide money to the States, as you have yourself conceded, they spend the money on other works and projects and the development work in the tribal belts lags behind. I appeal to the hon. Minister that for different projects of the tribal belts separate funds should be provided project-wise, specifically. I am of the view that the State Governments are not providing us the funds earnestly which are allocated for the projects meant for us. Sir, as I have stated, just now—

[English]

the fruits of independence do not always reach the poorest classes.

[Translation]

It is a very good step that you have increased the funds by 65 per cent for these people. Every one will agree with it and I also am of the same view but I would like that instead of computer programmes, first we should adopt character programmes. Unless we adopt the character programmes with utmost earnestness, we shall not be able to provide 65 per cent amount to these people.

17.00 hrs.

Sir, I want to submit that in our district a criminal gang has sprung up who is always after the money given to the poor under different programmes. The moment the money reaches the district that gang becomes active. Sir, the way vultures surround a dead animal and eat it away mercilessly, likewise this gang also swallows the money given to the poor for their upliftment. That is why I would submit that arrangements should be made that this money reaches the poor. Only then the people in our country will be benefited in the real sense. I am thankful to the Finance Minister that he has presented a positive and balanced budget for the country and I feel that this Budget will be very helpful in building India of shri Rajiv's dream. Lastly, I would like to say—

[English]

That will be an adding factor for the new era for the country of new and modern India.

17.02 hrs.

[MR. DEPUTY SPEAKER *In the Chair*]

[Translation]

SHRI MANKURAM SODI (Bastar) : Mr. Deputy Speaker, Sir, I whole-heartedly support the budget presented by the Finance Minister. This progressive budget will be helpful in taking the country forward with the same speed as the Hon. Prime Minister wants. The Hon. Prime Minister finds time from his busy engagements to go to farflung areas to meet the Adivasis and see their condition with a view to take the country ahead. He talks to them and asks them about the benefits that they have got from the development of the country

and also about how many of their problems have been solved. In this manner he is evaluating these things by going there so that he can assess the situation and see how much funds will be required for spending in future. The figures presented today show the extent to which success has been achieved in lifting them above the poverty line after the money so far spent for their development, so that these people do not lag behind and march forward when the country enters into the 21st century. Special schemes are being undertaken in those areas to remove their backwardness so that they may not remain behind and march forward along with others. That is why he is finding time from his busy programmes and touring those areas. But, on the other hand, there are some people who are trying to cause hindrances in his programmes and working against his wishes. I would go to the extent of saying that there are some people in the planning commission also who want to bring tardiness in the speed with which the Hon. Prime Minister wants things to be done.

'Nav Bharat Times' dated 5th March carried a news which said—

"Afsarshahi ki neend danke se nahin tutegi" (The bureaucracy would not wake up merely by making announcements). It further says, "Howsoever big public pronouncements about removal of poverty the Finance Minister, Shri Vishwanath Pratap Singh, might make but when it came to implementation, the scheme announced by Shri Rajiv Gandhi for district Bastar involving Rs. 500 crores was in the doldrums due to redtapism."

There are some offices at the centre who do not care to implement the developmental schemes prepared by the Central Government. During his visit to Bastar, the Prime Minister had announced to provide Rs. 500 crores but here also they are resorting to evasive methods and they people to allocate this amount out of Rs. 7,000 crores allocated for the State for the Seventh Five Year Plan. The State Government is not at all in a position to take out Rs. 500 crores out of this fund. Under these circumstances, this scheme seems to be in the doldrums. The people of the area are also thinking that if this scheme is put off, they will be compelled

to request the Centre to include this scheme in the central sector. If the Central Government do not make provision for this scheme and of Rs. 500 crores, as announced by the Prime Minister are not given, the people of that area will feel otherwise. I would request that the Central Government should arrange to provide this additional fund of Rs. 500 crores so that the State Government may not face difficulty in this matter.

About 10,000 houseless people have been benefited under the scheme for houseless people started earlier. Those who did not have their houses have now constructed them by doing hard work. The scheme that has been sanctioned in this year's budget and is going to be launched in the name of Indiraji should be implemented on the pattern of Bastar. A Patwari of the Revenue Department in that area adopts a village and constructs 10 houses; R. I. adopts another village and constructs 15 houses, a Tehsildar adopts another village and constructs 20 houses. They get full cooperation in this endeavour from all concerned agencies. They construct houses on the same pattern and the people live in them. If some other agency is entrusted with the task of constructing houses within the same amount, I am sure, the houses so constructed would not look like the other houses in the villages and our Adivasis and Harijan would not live in them. So, such houses should not be constructed. The houses in those areas should be constructed by the Adivasis and Harijans themselves according to their requirement so that these houses are not unlike their life-style. Therefore, cooperation of the Government is needed in this regard.

Today, the Forest Department in the main obstacle in the development of that backward area. The coordination of the Forest Department is totally different from the coordination of other departments. They are not cooperating. They are creating hindrance even in the small schemes, such as construction of road to link two villages, construction of a school or digging of soil etc. Thus, the Forest Department is coming in the way of all developmental works in that area. The Act that has been enacted by the centre for the development of such areas should be fully enforced. Forests have been the source of their livelihood and if hindrances are created in the way of their

[Shri Mankuram Sodi]

development, they will never come up and it will give birth to a feeling of hatred in them. Therefore, no hindrance should be allowed to come in the way of development of the tribal areas. The offices responsible for creating hindrance should be dealt with sternly. There should be coordination so far as the development schemes are concerned. With these words, I support this Budget.

[English]

SHRI V. S. KRISHNA IYER (Bangalore South) : I rise to appose the Budget presented by the hon. Finance Minister.

This is the second budget which hon. Minister, Shri Vishwanath Pratap Singh has presented to this House. In the Budget, it appears to me, he has tried to demonstrate the concern which the Government has for the poor. I would like to ask the hon. Finance Minister why he did not have the same concern during the months of January and February when he enhanced the administered prices of almost all the essential commodities in our country. Does the hon. Finance Minister know the reaction of the Indian people? I am sure if not we, at least the members of the opposite side also feel what we are feeling. They must have been briefed by now the reaction of the people.

I have been here for the past one month. I have ascertained from many of the families of Delhi, the middle class people. The impact of the price increase in Delhi—of course, I have not yet gone to my constituency of Bangalore—is that the family budget of a middle class family has increased by Rs. 150 to Rs. 200. I am not exaggerating. I am prepared to give the figures. I can give the break-up of the family budget. The prices of food articles, the DTC fares and everything have been increased. Why did not our hon. Finance Minister show the same concern for the poor whom this price rise affects the most.

Whom does this price affect? Prices of petroleum products have been raised. He gives a great concession for the kerosene stove but at the same time he goes on increasing the price of kerosene required every day.

Another effect of this increase in the administered prices is what should happen to the States which are giving food articles at subsidised rates like Karnataka and Andhra Pradesh? We have been giving rice at Rs. 2 per kg which is being sold here at Rs. 2.75. What should happen to the budget of the States? At the same time, the States also will lose their legitimate share of the excise duty because the administered prices of some of the articles which are subject to excise duty have been increased. If only you increase the excise duty, the States would have got a share. I strongly oppose the made by the hon. Finance Minister. This shows that it is only an eye-wash. I know in the Budget he has provided more funds. He has increased the allotment for anti-poverty programmes by 50%. I do not grudge it. But it is neutralised by this increase in the administered prices.

Sir, I know I have a very limited time at my disposal. I represent a hundred per cent urban constituency. I would like to ask through you the Government of India. Till this date, even after nearly 40 years of independence, we do not have a national urban development policy. I know a lot of things are being done for rural development. It is necessary. I welcome it and I quite realise that India cannot prosper if our rural areas do not prosper. But at the same time to the problem of urban areas the Government has not given even a thought at all. Just a few minutes before when Dr. Datta Samant was speaking about the Bombay city, the hon. Finance Minister stood up and said, that Bombay is getting Rs. 100 crores for the slum clearance. Our Prime Minister, when he was in Bombay, announced that. I would like to know from the hon. Finance Minister whether he is aware of the problems of the great metropolitan cities like Madras, Bangalore. Sir, in my constituency, there are 500 slums. One lakh families are residing in slums in miserable conditions. I would like that the Government of India must have a national policy on all these things.

Sir, just now my hon. colleague from Hyderabad spoke about the discouraging water condition in Hyderabad. In my constituency. Sir, in Bangalore city, it is still worse. People do not have water even on alternate days. Though the Government is

doing its best, we are not able to cope up with the problem. Two of the reservoirs completely dried up, which used to give water to Bangalore. We have been asking the Government of India to sanction the Cauvery thiry stage. We require no grants. We have asked for a loan from the World Bank and the L.I.C. Even that is not forth-coming from the Government of India. I strongly urge the hon. Finance Minister to see that aid is immediately given to the Government of Karnataka by the World Bank and the L.I.C. In this connection I would like the hon. Finance Minister to note the feelings of the 4 crores of Kannadigas. What is their reaction to the General Budget and the Railway Budget ? So far as Karnataka is concerned, it has drawn a blank in these two budgets. As far as Railway is concerned, greater injustice has been done to Karnataka than it was done during the last year. So also the dream of Karnataka which gave such a massive mandate to the Ruling Party 24 out of 28 Members were elected on the Congress Party ticket has remained a dream. What is the reward they have got ? No new project, which was promised, has been implemented. I am happy that Rs. 700 crores has been provided for Vishakapatnam project. Sir, what have you done for the Vijayanagaram Steel Project. The Foundation was laid 15 years back by our late Prime Minister Mrs. Indira Gandhi. Only yesterday I asked the Steel Minister whether he has shelved it or he is going to set up the project. Let the Government have the courage to say that they are not going to take up that scheme forget about it. We know how to treat them afterwards.

Now I come to another important project *i.e.* the Mangalore oil Refinery. Last time during the budget it was assured that it would be included in the Seventh plan. Even that does not find a place in the budget. Then there is another important matter *i.e.* about the Electronic Digital Trunk Exchange Project. It was originally decided by the Expert Committee to locate it in Bangalore. For political reasons, it was shifted to U.P. and the late Prime Minister Mrs. Gandhi had promised the second Unit of this Project will be located in Karnataka. But even that does not find a place in the budget of our Hon. Finance Minister Shri V. P. Singh.

Sir, I must tell the Finance Minister that the people of Karnataka—let him please ascertain it from his own party members and I need not tell him have been disappointed. Even now I say that it is not too late. They have still another four years left in the Seventh plan. Let the Government re-consider and see the dreams of Karnataka people come true.

Sir, I would like to say one word about the Public Sector. I am unable to understand what is the policy of the Government. On the one hand they take of economic independence and self-reliance; at the same time they go on giving O.G.L. very freely to everybody. Sir, all the machineries which are manufactured by the prestigious project like HMT all over India, such machineries are now included in the O.G.L. I quote only one example. I have sent a letter to Shri V.P. Singh, yesterday. This is about a Defence Project. The Project is coming up at Tiruchirappalli. For that project, HMT, Kerala Unit, is prepared to supply all the machineries required. But the Defence authorities are getting it imported from West Germany. The machinery is worth about Rs. 26 crores. I would request the hon. Finance Minister to spell out in this House the correct policy of the Government.

With these words, Sir, oppose the Budget and thank you for giving me this opportunity to speak.

[*Translation*]

SHRI RAM RATAN RAM (Hajipur) : Mr. Deputy Speaker, Sir, I rise to heartily support the budget presented by the hon. Minister. While welcoming the budget, I would like to say that this year's budget is a progressive budget and it points towards the steps that we are taking to achieve our objective of establishing socialistic pattern of society. During the course of his budget speech, our Finance Minister had said that the Government would bring parity in the matter of development. The Prime Minister has also expressed the view that there would be economic justice for all. Our budget allocation this year, particularly for the rural areas, has tremendously increased as compared to the previous year.

[Shri Ram Ratan Ram]

Lasy year, a provision of Rs. 230 crores was made under N.R.E.P. for the development of the rural areas and this year it has been raised to Rs. 443 crores which is 93 per cent more than that of the previous year. The provision for R.L.E.G.P. last year was Rs. 400 crores which has been raised to Rs. 633 crores this year, thus registering an increase of 58 per cent. Under I.R.D.P., as against the provision of Rs. 283 crores last year, Rs. 428 crores have been provided this year which means an increase of 51 per cent. Similarly, as against the provision of Rs. 100 crores last year for housing for the scheduled castes and bonded labour, a provision of Rs. 125 crores has been made this year. This too is 25 per cent more than the amount provided last year. A provision of Rs. 317 crores has been made for rural water supply this year. A provision of Rs. 165 crores was made last year for the Harijans under the Special Component Plan. As against that, a provision of Rs. 175 crores has been made in this year's budget.

The budget presented by the hon. Finance Minister is aimed at achieving the objective of socialistic pattern of society. But, in spite of this, if we all and our Government are unable to achieve the objective then, I think, there is no other party which can accomplish this task. That is why all of us should dedicate ourselves to the work of nation-building as well as development and cooperate with the Government.

So far as our programmes aimed at removing poverty are concerned, I would like to say that we must be cautious lest the poor should be removed instead of poverty and our programmes should remain on paper only. There is no doubt that we want to achieve the targets fixed in respect of rural development; we prepare our budget for the good of the poor; we are striving for the removal of poverty, but are the Government officers and the capitalists prepared to extend their cooperation in this endeavour and if not, what steps our Government are taking to tackle such elements so as to remove the poverty of the poor without any impediments?

We set up Boards everywhere, we set up Corporations and Public Undertakings, we make provision for reservation of jobs and

implement the programmes for the welfare of the poor, but are these Boards, Corporations and Undertakings protecting the interests of the poor Harijans, Adivasis and the people belonging to the backward areas? They are not protecting their interests to the desired extent. The result is that there is frustration among the people. The Harijans and others belonging to the backward classes and the Adivasis knock at the doors of the Government, but when no one listens to their grievances, they approach us to get justice. Therefore, I would like to say that if we want to move forward to achieve our objectives, we shall have to tackle these elements. Otherwise, the poor will be removed and not the poverty.

I would like to say something about the land reforms. Although the land has been distributed, yet have the poor Harijans been able to actually get the land? No. You can see it yourself throughout the country. I invite you to my State Bihar to see how the distribution of land has taken place. Have the Harijans actually got the land there? No. Therefore, I would request you to pay attention to the land reforms.

So far as the question of water resources or rural water supply is concerned, the papers of the Government do show that water supply has been ensured to the poor and the Harijans, but if you happen to go to their localities you will find that actually water has not been supplied there. We make provision for them in the budget, but the funds so provided go into the pockets of the officials. I would like to say that we shall have to be cautious about the elements which create obstacles in our objective of socialism.

Now I want to say a few words about my constituency of late, our Prime Minister has paid attention to the pollution of river Ganga and has allocated crores of rupees to control pollution, but you should also make some arrangements in Bihar State; especially in North Bihar, to drain out water from the land which remains water-logged so that it could be made cultivable. Thereby our agricultural production will increase. You should remedy the pollution of the Ganga, but, the same time, in our area lakhs of people are living and atleast bridges should be constructed for them. Our area Radhapur Dimra is facing this problem.

I would like to say about means of transport that in Bihar very few highways have been constructed. Means of transport are very important for national development. Unless you provide means of transport in our State, no progress can be made by us. Means of transport are the first necessity for the development of any country. I would, therefore, request you to provide us with the means of transport.

I thank you once again for presenting this budget for the eradication of poverty which is a step in the right direction, but, in addition to it, it is also necessary to pay attention towards small industries in order to help the schedule castes, schedule tribes and downtrodden and the poor in setting up such industries. Only then we can take the poor towards progress and achieve the goal of socialism.

[English]

SHRI A. JAYAMOHAN (Tiruppattur) : Respected Deputy Speaker Sir : I rise to support the budget proposals for the year 1986-87. At the outset I would congratulate the Hon. Finance Minister for his dynamic approach in the budget particularly on many of the programmes for the welfare of the poor and the needy.

After our great leader Madam Indiraji's sad demise, the country saw a ray of hope in the leadership of Shri Rajiv Gandhi. The people, by and large, supported Congress Party and its leader—our beloved Prime Minister Shri Rajiv Gandhi.

Our Finance Minister gave more and more importance to the anti poverty programmes. That shows our commitment and guidelines given by our beloved leader Smt. Indiraji which is effectively pursued by our beloved Prime Minister, Shri Rajiv Gandhi.

The Finance Minister has given more importance to IRDP, NREP and RLEGP. For all these programmes, a total sum of Rs. 1509 crores has been earmarked for this financial year, i.e. 1986-87. We also notice that Rs. 1988 crores have been allotted for welfare programmes. This clearly proves that the Government is really serious about the socio-economic development of

the weaker sections of the population. Low cost rural houses for Scheduled Castes and Scheduled Tribes are given importance by allotting Rs. 125 crores which is an all time high.

We find from our personal experience that in the handling of the anti-poverty programmes by the State Governments, there is no proper coordination and effective monitoring to see that the programmes are implemented effectively. This year, our Finance Minister is pleased to double the amount so that persons living below the poverty line can be brought up. So, I would urge upon the Government and in particular the hon. Finance Minister to appoint a monitoring committee at State and block levels. The committee may comprise MPs, MLAs and prominent social workers so as to ensure proper checking, monitoring and effective implementation of these programmes.

I would further urge upon the Finance Minister to increase the limit of the loans for self-employment schemes from Rs. 25,000 to Rs. 50,000 so that the unemployed youth may get enthusiastic options to start various types of industries.

At the same time, I would like to bring one factor to the notice of this august House. In Tamil Nadu, the State Government is not allotting loans for trade or business purposes. Even for industries, we have to wait many years for getting the required power. Hence, the Government of Tamil Nadu may be instructed properly to sanction the self-employment loans for trade and business purposes.

I welcome the measures taken by the Finance Minister to narrow the gap between imports and exports. But the All India Small Scale Leather Manufacturers and Exporters are facing a crisis due to the introduction of second revision of 1979 which was a failure even according to the reports of the Government. Due to this revision, more than one thousand small leather manufacturing units all over India closed their factories and more than 2.5 lakh Harijans workers were retrenched. For the past six months, they are on the streets for want of jobs. This matter has been brought to the notice of the Commerce Minister,

[Shri A. Jayamohan]

but so far no action has been taken. At the same time, the present policy of allowing the second revision made the country lose considerable foreign exchange. The export of finished leather goods has come down to the tune of 30 per cent. This second revision was brought back at the instance of big export houses to knock down the entire fruits of small leather export traders. At this juncture I would like to urge upon the Finance Minister and also the Commerce Minister in particular to reconsider the third revision was introduced in the year 1981. This third revision may be reintroduced now to safeguard the interest of the small tanners and exporters.

Finally, for the past 30 years my constituency, *i.e.* Tirupattur in Tamil Nadu is totally neglected. It is an industrially neglected constituency. The taluks of Tirupattur, Chengam and Poolur are set the most backward areas and not even a single industry is existing there. Hence, I urge upon the Government to start a public sector industry in my constituency.

On the whole, these budget proposals will further the interests of the common masses and long term benefits will accrue to our people. I once again congratulate and support the Finance Minister.

[Translation]

SHRIMATI USHA THAKKAR (Kutch) : Mr. Deputy Speaker, Sir, I extend my full support to the budget presented by the hon. Finance Minister. It is totally wrong on the part of the Opposition Members to say that no relief has been provided for the poor in it and that it will serve the interests of the rich people only. The hon. Finance Minister has made provision in it for various programmes for the poor and a huge amount of 46 per cent of the budget has been allocated for these programmes. Such a big amount was never allocated for the poor so far. Hence, I congratulate the hon. Finance Minister for this.

Sir, our late Prime Minister Shrimati Indira Gandhi always gave priority to the upliftment of the poor and, to realize this dream, she had started the 20-Point-Pro-

gramme. Our present Prime Minister Shri Rajiv Gandhi is fully determined to successfully implement this programme.

The late Indiraji had formulated a housing scheme for the poor and many shelterless people could get houses under that scheme. Much more is still required to be done in this direction and that is why the hon. Finance Minister has made provision for Indira Gandhi Housing Scheme. Under this scheme, the Government propose to provide houses to the maximum number of poor people. This programme will be the real tribute to Shrimati Gandhi and the poor people will get the maximum benefit from it.

Sir, under the 20-Point Programme, the people in the rural areas are getting considerable benefit because Gram-Panchayats distribute land to them free of cost and they also get the Government grant easily, but in small cities, our poor brethren are facing difficulties in this regard. Although Slum Clearance Boards are doing some work for them but not to the desired extent. In order to make it more effective, the Government should make laws whereby they Municipalities and development authorities may provide sufficient land for this purpose and the Government grant may also be made available easily as per their requirements.

The Opposition Members are saying that the enormous deficit left in the budget will increase inflation. These hon. Members might be knowing that not only in the developing countries, but in the developed countries also like the USA, France and Britain, surplus budget is never prepared.

Sir, now I would like to mention here some of the problems of my constituency Kutch and my Gujarat States.

This year Gujarat is facing acute famine conditions. The people of that area are, therefore, facing the serious problems of their livelihood, fodder for their cattle and of drinking water. The Gujarat Government are trying their level best to deal with the situation. The Central Government had sent a committee to Gujarat to provide assistance to the State Government. That committee was required to study the situation there and to suggest as to what assistance the Central Government could provide to th

State Government to combat the situation of famine. That committee has submitted its report to the Government. I would, therefore, request the Central Government to provide immediate assistance to the State Government for famine relief programmes.

Sir, in the drought-stricken Gujarat, there is acute scarcity of drinking water. I request the Government to take necessary steps to provide drinking water to the drought hit areas of Saurashtra and Kutch from the Narmada Project. Due to lack of funds with the Gujarat Government, completion of various important projects has been delayed. The Government should provide sufficient financial assistance for such projects.

Sir, in my area of Kutch there has always been shortage of water, famine or no famine. To meet this situation, small and medium sized dams are erected, but there is one difficulty in it and that is that because of the limit of acreage at a particular site, more expenditure has to be incurred and water cannot be stored to the desired extent. Sir, the late Indiraji had inaugurated there a dam named Lakkad-Vant and laid foundation stone of it but due to this reason, its work could not be started so far. There are so many other dams from which the people could not be benefited so far. So, I request that the per acre limit may be removed and necessary funds may be provided to start the work of the dam immediately. Moreover, the State Government should be instructed to complete this work soon.

Sir, the Ganga is the holiest of our rivers and the project formulated by the Government to clean it is quite appreciable. I request the Government to pay attention towards the other rivers also because, for the inhabitants of those areas who live far away from the Ganga, small rivers flowing near their villages are also holy and important. Government have to pay attention towards their problems also. For example, the waters of the small rivers carry soil with the currents which gets deposited in the river beds creating problems of silting. Government should formulate plans for desilting of such rivers.

Sir, sometimes saline water of the sea enters into the rivers at the point where the

rivers fall into the sea which causes harm to the inner land. In order to tackle this problem, some plan should be formulated to erect embankments at the points where the rivers fall into the sea to prevent inflow of saline water.

Sir, in my constituency Kutch, work has been undertaken to produce electricity from the sea-waves and provision has also been made in this budget for that. I request the hon. Finance Minister that in view of the shortage of electricity all over the country, priority should be given to such schemes to speed up the work of such projects and sufficient funds should be made available for them.

The Hon. Prime Minister has given an assurance that one industry would be established in every district. This assurance has given us a new hope for the development of our area. I request the hon. Finance Minister that in view of the availability of minerals in our area, some projects for the production of soda ash and aluminium may be started there. Small industries are the backbone of big industries. Therefore, small salt and soda ash industries may be set up in our area whereby other small industries will also get relief in respect of transport and other problems.

My area Kutch is contiguous to the border of Pakistan and, therefore, the development of this area is essential from the national security point of view also. A sense of awakening and prosperity of the people can strengthen the national security. For this purpose, children's education, adult education and women's welfare are most important things. For the women and children, the Central Government have opened social welfare centres but the grant given for them is not sufficient as a result of which out of nine Tehsils, only six tehsils of Kutch are benefited under this scheme. It is necessary to cover the entire area under this scheme.

Mr. Deputy Speaker, Sir, the late Prime Minister Shrimati Indira Gandhi took keen interest in the women's development programmes. I know that our young Prime Minister and our Government are also alive to the need of women's welfare. They will, therefore, encourage such programmes by

[Shrimati Usha Thakkar]

giving more grants which are meant for the welfare of the rural women and children. The programmes started by the Social Welfare Boards have greatly benefited our rural women and children.

Sir, I would also like to give one suggestion to our hon. Finance Minister for the benefit of the Government employees. There is a provision for savings to get exemption from the payment of income tax, but a Government employee cannot subscribe more than his basic pay toward his G.P.F. For saving more, he has to adopt other methods of saving, such as N.S.C., C.T.D., etc. If the Government removes the ceiling on the G.P.F. savings, it will facilitate the employees to make savings.

I once again support the budget which the hon. Finance Minister has presented in the interest of the farmer, labourer, poor and the common man. The time allotted to me is short, so I conclude.

SHRI RAMASHRAY PRASAD SINGH (Jahanabad) : Mr. Deputy Speaker, Sir, this budget has been presented after careful consideration. I would call it a supplementary budget because all the proposals which are required to be made in the budget have already been implemented and thereafter this budget has been presented. However, I would like to raise some points before you. Our economy is passing through a great crisis. Due to the capitalistic system being followed by the Government, unemployment has increased and the abject poverty rampant in the country has become a greater curse for the country.

Now I shall speak on the economic situation. During 1981 to 1983, our national income increased by 13.5 per cent. In 1983-84 it increased by 5.5 per cent and in 1984-85 by 7 per cent. But, inspite of this increase in the national income, even the industries like steel, engineering, power, what to speak of textiles and jute, have faced crisis resulting in the lock-out on a large scale. The severity of the crisis in the industrial sector can be gauged from the fact that 80,000 large and small industrial units, are sick today. The hon. Minister has beautifully said in his speech that small scale industries are the backbone of large

industries, but we should get reply to our question.

As a result of the new textile policy, the closure of the "non-viable" mills by the mill-owners and their modernisation means more retrenchment. In the name of modernisation, they have laid more emphasis on the man-made fibres instead of cotton which will not only meet the needs of the mill-owners but lakhs of handloom weavers will also lose their means of livelihood. You will have to think about it also.

The agricultural production declined by 4 per cent in 1982-83, it went up by 17 per cent in 1983-84 and in 1984-85 by 1 per cent. The production of wheat and rice has gone up considerably but the production of coarse grains has declined considerably. The production of oilseeds has been stagnant.

Inspite of the claim made in the Economic Survey for 1984-85 that the economy is in a reasonably sound condition, the uncertainty prevailing on the industrial and agricultural fronts can create problems in the coming years. We have already warned the Government about it.

The main area of tension is the price front. The wholesale price index increased by 7.3 per cent in 1982-83, by 8.3 per cent in 1983-84 and in 1984-85 it has already increased by 5 per cent. The price index has further increased by 5.7 per cent after March. During the last four years, the All India Consumer Price Index for the working class has increased from 446 to 650 which means an increase of more than 36 per cent. It is, therefore, not surprising that the value of rupee has declined to 13.2 paise.

The price increase has taken place at a time when we had bumper crops for two years and the production of this year has reached to the level of 15.10 crore tonnes. There has been record procurement of foodgrains. We have 300 lakh tonnes of foodgrains in the public sector warehouses even than there has been no expansion of the public distribution system. The consumption of fertilisers has declined from 14 lakh tonnes to 11 lakh tonnes and from this you can understand what the purchasing power of the poor is.

Unemployment has also increased two—told during this period. According to the survey conducted in 1981, there were 170 lakh unemployed persons registered in the employment exchanges, whose number has now increased to 250 lakhs.

When the people were groaning due to the impact of price increase, the Government have burdened them with the increased taxes. In the budgets of the last four years taxes to the tune of Rs. 4,800 crores have been levied on the people. In the Railway Budget also a sum of Rs. 1950 crores has been levied as taxes. From this you can see how socialistic this budget is.

The deficit is also increasing. There was a deficit of Rs. 3985 crores in the budget for 1984-85 and in the budget for 1985-86, it is Rs. 3349 crores. Although tall talks have been made in regard to "Garibi Hatao", yet no effort has been made to remove poverty in the rural areas, with the result that the poor have become poorer. Had you allotted me some more time, I would have dwelt at it at length.

The condition of banks is no good either. I have received two letters in this connection. One letter is from Faizabad block. I would like you to get it investigated.**

[English]

MR. DEPUTY SPEAKER : Please sit down. Nothing will go on record, whatever he says, nothing will go on record.

[Translation]

SHRI MADAN PANDEY (Gorakhpur) : Mr. Deputy Speaker, Sir, if anyone is unhappy with this budget, it is the Opposition. The Opposition Members are trying to catch at some aspect of the budget on the basis of which they may be able to criticise it. Whichever Member of the Opposition stands to speak he says that in has been presented in a very clever manner. But on going through the budget I have found that the Finance Minister and the Hon. Prime Minister have made efforts to mobilise funds through taxation from those people who have

the capacity to pay and to spend them on those who require it most, in accordance with their requirements. This is the best principle of taxation.

I would like to congratulate the hon. Finance Minister for the way he has presented this budget. Our country is so big that if we want to make provision for every part of it, we would fail in our effort howsoever large provision we may make in the budget. However, attention has been paid to those areas which require it most. The only way to take the country towards socialism and to lift the people above the poverty line is to give priority to the public sector and that has been given. Moreover, 53 per cent of the funds have been allocated to generate employment opportunities and the rest 47 per cent are for the public sector. I would like to ask the Opposition as to what more they expect under the present circumstances. Here attention is required to be paid to one aspect. Very heavy investments are being made in the public sector, but the Opposition parties are organising *bandhs* daily. We do not know what they want to achieve for the nation by organising *bandhs*. On the other hand, we have laid down some norms for the bureaucracy which are required to be reviewed. They do not have any experience of running the industries. The qualification of I.A.S. or I.P.S. is the only criteria for heading industries in the public sector. When we are making huge investment in the public sector, a separate technical cadre should be created to run industries more efficiently in this sector. Efforts should be made to bring efficiency in the public sector like the private sector.

Another thing is that great efforts have been made to identify the backward districts. A number of committees have suggested the names of such areas which should have been included in that category. If they had received the same facilities then the private sector would also have been attracted towards them. Knowingly or unknowingly, the eastern districts of Uttar Pradesh like Gorakhpur have been discriminated against in this respect. Therefore, the backward areas ought to be identified once again. A commission should

[Shri Madan Pandey]

be set up for the eastern parts of U.P. on the pattern of the commission being appointed for the hilly areas or for Bundelkhand. Provision of infrastructure will have to be made first for the industrialisation of the backward districts of Uttar Pradesh.

The Railway Budget of this year has also disappointed me. Most of the backward areas of U. P. and Bihar are divided by Bari Gandak river. It is the most turbulent river after the Kosi river. There was a bridge across it which was washed away in 1922 and such was the fury of the waters that its girders were found at a distance of 8 or 10 Kilometres. Since then the eastern Uttar Pradesh and the Western Bihar remain affected by the fury of that river. I would request the hon. Finance Minister to use his good offices and get the scheme for a new bridge sanctioned from the Railway Ministry. The late Prime Minister Shrimati Indira Gandhi had laid its foundation stone in 1974. I would request that attention may be paid towards it.

No major industry has been set up in the eastern districts, particularly in Gorakhpur where previously a coach factory was proposed to be set up, which is now proposed to be set up in Punjab. We have no objection to that, but we want that some major industry should be set up in each eastern district of U. P. Only then that area could be developed.

The bell is being rung so I would request the hon. Finance Minister to bring improvements by paying attention to the matters which I have raised here. With these words, I conclude.

SHRI HARISH RAWAT (Almora) : Mr. Deputy Speaker, Sir, I would like to assess the budget in the light of the planned development, commitment towards the public sector, continuity and relativity of policies, and the efforts made for the achievement of the objects of self-reliance and social justice.

I am happy that despite various economic constraints, Rs. 22,000 crores have been earmarked as plan outlay.

18.00 hrs.

For the State plans, a provision of 29 per cent more funds has been made this year as compared to the last year. About 48 per cent of the plan outlay will be spent on the core sector. The outlay on the public sector has also been increased by 20 per cent as compared to the last year. I think everybody will welcome it.

[English]

MR. DEPUTY SPEAKER : Mr. Rawat, you can continue tomorrow.

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

18.01 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Wednesday, the 12th March, 1986/Phalgun 12, 1907

(Saka).