

**PROF. MADHU DANDAVATE :** Sometimes when we raise matters under Rule 377, the Speaker is pleased to direct the concerned Minister to make a statement. This is a very important matter. ...

**MR. DEPUTY SPEAKER :** If the Minister wants, he can reply. But I cannot compel.

**PROF. MADHU DANDAVATE :** Why not, Sir? I would like you to use your good offices.

**PROF. N. G. RANGA (Guntur) :** He may send it to the Minister concerned.

(vii) Demand for appointing a full time executive instead of the present part time one in the Bharat Brakes and values Calcutta

**SHRI SAIFUDDIN CHOWDHURY (Katwa) :** There has been a move by some interested quarters to ruin a nationalised company, viz., Bharat Brakes and Values, Calcutta. This public sector unit made profit before tax in the year 1980-81 and production rose from 17 lakhs to 80 lakhs. The production and growth of this unit reached a record level and the joint production committee worked well till March, 1984. Deputationists from Burn Standard and some officers of this unit are now involved in fighting amongst themselves. Such is the situation now that all sections of employees have become frustrated including a good section of young engineers. Factory production has got retarded. There is no plan and initiative to bring the new products in production line. *Ad hocism* has become the order of the day. Demand for workers' participation in the management for growth and welfare of the workers including implementation of old settlements are denied. Even Government's directives are being disregarded.

A new diversified item viz., LPG cylinder is virtually closed as this is being imported from Brazil. Therefore, I urge upon the Government to appoint a full-time executive instead of the present part-time Chief Executive and remove the high-salaried deputationists from the Company. The Company should initiate a proper enquiry into the affairs and bring back this public sector unit in proper gear

as the workmen are ready to extend their full co-operation.

(viii) Demand for setting up of an industrial unit in Purnea district of Bihar in order to provide employment opportunities to the people of that area

**SHRI D. L. BAITHA (Araria) :** Mr. Deputy Speaker, Sir, I would like to draw the attention of the Government to an important matter of public interest.

District Purnea is very backward industrially. Although raw material such as jute, rice, paddy-straw, paddy-husk and other agricultural produce is available there in abundance yet in this area, especially in Araria Constituency, no industrial unit has been established so far which could provide means of livelihood in this labour-predominant area. A jute mill that was set up there is not functioning and is in the same condition as it was ten or eleven years ago. As a result, a number of local labourers are leaving the villages for other places in search of livelihood. The village is wearing a deserted look.

I would, therefore, request the Government to set up an industrial unit in this backward area soon so that the local people could be provided with employment.

12.20 hrs.

GENERAL BUDGET, 1985-86—  
GENERAL DISCUSSION  
AND  
SUPPLEMENTARY DEMANDS FOR  
GRANTS (GENERAL), 1984-85  
---Contd.

[English]

**DR. DEPUTY SPEAKER :** Now, the House will take up items No. 7 and 8 together. Already we have taken more than the allotted time but still many Members are interested in participating.

**THE MINISTER OF STATE IN THE MINISTERS OF PARLIAMENTARY AFFAIRS. (SHRI GHULAM NABI AZAD) :** Sir, I propose that time be extended by another two hours and the Finance Minister may reply to the debate at 2.15 p.m.

MR. DEPUTY SPEAKER : All right. But as there are still many members who want to participate I request the Members to be very brief. Each member will be given four minutes. At the end of three minutes I will ring the bell and if the members exceeds four minutes it will not go on record.

SHRI LALITESHWAR SHAHI (Muzaffarpur) : Sir, I rise to speak in support of the budget proposals but at the same time I would like to make some observations. It is true that the present budget is indicative of a practical approach towards the budget proposals and whatever may be said it is certainly a non-conventional budget that has been placed before us. It has given relief to 10 lakh workers who come within the Rs. 15,000-18,000 slab. It is also a welcome approach that CDS has been discontinued but there is one implication to this. The implication is that not only the withdrawals have not been allowed this year but also they will have to deposit CDS amount this year. The facility of withdrawing one-fifth of the earlier deposits is not available this year. This has created lot of hardship to the salaried class.

At the same time I would like to point out that while it has given relief to limited sections of persons it has touched many pockets by increasing the price of diesel, kerosene oil, vegetable oil, and soap. Tax soap is supposed to be a tax on cleanliness. I realise that scope of manoeuvrability before the Finance Minister is not much because he has to defray a huge amount on the defence expenditure, that is, about Rs. 7686 crores, repayment of interest charges to the tune of Rs. 7075 crores, fertiliser subsidy to the extent of Rs. 1800 crores and then to the extent of Rs. 1100 crores towards subsidy to the Food Corporation of India. All this along with the non-plan expenditure of about Rs. 32,000 crores will make a total of Rs. 50,000 and odd. Some amount would also go towards the Post and Telegraph subsidy. All this expenditure might discourage developmental expenditure. The scope for manoeuvrability is also limited. There is going to be price rise because of the rise in diesel, coal and transport charges. When the transport charges go up, we may expect consequential rise in price in

all other basic commodities, like foodgrains, vegetables, fruits, etc. Then, there will be higher cost of power rates, that is, electricity. Therefore, rise in prices in the basic items which are very necessary for the common man cannot be ruled out. But the question is : what is the option left to meet the situation? The only option left to meet the situation is that we need to increase production in agriculture and industrial fields. There had been certain liberalisation in the licensing policy. But the question arises as to whether this liberalisation is going to bring the desired result within the period of one year for which this budget has been presented. The official machinery has been accustomed to a long procedural process in which there are delays here and there. I do not know whether the action on one item of liberalisation of licensing would be able to quicken the pace and bring in the required speed in the economic development. If that is not done, then certain mid-way will have to be made in the agriculture production in the country. There is a major scope for rise in agricultural production if underground water potential is harnessed. The underground water potential assessment was made a few years back and according to them underground water potential exists in Uttar Pradesh, Bihar, part of Madhya Pradesh and Bengal where the difference between the agricultural potential and the actual production is high. If that is done, it will go a long way to check the price rise. Thank you.

SHRI K. P. UNNIKRISHNAN (Badagara) : Mr. Deputy-Speaker, Sir, I am a greatful for your indulgence. Sir, I am sure you will agree with me that every budget of this Government is framed in a particular milieu, external milieu, consisting of the factors dominating the world economy and our own interactions with international political and economic forces. It has also to reflect the concerns of the government and the party in power, and I presume the interests of 700 million people, majority of whom are still steeped in abject poverty, filth, misery and squallor. Therefore, it has to concern not merely with 4 million taxpayers and their needs but it must have a social philosophy and perspective. I have been looking at this Budget from this

angle, a Budget which has been welcomed by luminaries of the corporate world and particularly my esteemed friend, Shri Nani Palkhiwala, for whom I have great respect, but to those, as it used to be said in the United States 'What is good for General Motors is good for the U. S.' and so what is good for Tatas and Birlas is good for India.

So, I concede the right of Mr. Rajiv Gandhi, the new Prime Minister and his party, to strike his own path in the context of a massive mandate.

But the question I want to pose in all sincerity seriousness and humilits to Members of the Congress benches on the other side is whether this is their policy and perspective and this is the direction that Congress had charter for itself under Mahatma Gandhi, Jawaharlal Nehru and even Indira Gandhi.

The Finance Minister has talked of 'new responses to the objective conditions.' A very good phrase indeed. But what are the objective conditions? Objective conditions of the society whice we wanted to drastically change and orient to an egalitarian social order or objective conditions of business and business environments. There was a party called Swatantra Party in India, which, I am sure you remember, has disappeared in the limbo of history and which Jawaharlal Nehru used to say is a fossilised growth. Swatantra Party is dead and gone, but I regret to say its ghost has resurrected itself in my esteemed and dear friend Shri Vishwanath Pratap Singh's budget, and the philosophy of Swatantra Party has been revived unfortunately by Shri Rajiv Gandhi's Government and his Finence Minister.

Budgeting is essentially, as they say, a book-keeping exercise, but whose books do you keep? If you look at the books of Tatas, Birlas etc., this is exactly the kind of budget you would have.

From the days of the National Planning Committee in 1938 to the Congress Economic Committee of 1948 and adoption of your Constitution with Directive Principle of policy of charging the State with the responsibility of creating an egalitarian social order to Industrial Policy Resolution 1948, process of plan-

ning which began in 1950 and adoption of Avadi Resolution of socialistic pattern of society, with the Industrial Policy Resolution of 1956 and adoption of socialism as its goal in 1964 at Bhubaneswar session of the Congress and even the inclusion of the word 'socialism' in the Preamble of the Constitution itself in 1976, there was a continuity in perspective and approach. Socialism may have become an obsence word for some and many in the ruling party, and particularly those who control its destiny, but I want to point out that it is this perspective and approach which is sought to be destroyed today through this Budget. Therefore, whether on land ceiling or nationalisation of certain essential industries or assigning the commanding heights of economy to public sector or in the fiscal policy instruments like wealth tax which could not be collected, or the estate duty, there was a design and purpose. It was to emphasis on certain distributive aspects of economy and forge appropriate policy tools. That is how we built up planning process and a regulatory framework of economy and a legal framework for planned democratic solialism. It is this very object which has been given a go-by in this Budget.

The underlying potulates and motivations of a pattern of society we had in our mind are in a shambles today. According to Dr. Brahamnanda who is by no means a socialist economist but one who shares the prospective of the national struggle, at least Rs. 1000 crores have been given away to relatively affluent sections, abdicating the national goals. It is a total retreat from the path of an egalitarian society and self-reliance based on a faulty premise that development of corporate sector holds the key to the solution of the problems of poverty, unemployment, disease and ignoranse. It is towards privatisation—I repeat—of initiatives in the economy at the expence of the poor and it is even in defiance of what is reflected in the Approach Paper to the 7th Plan framework. One has only to go through the amount proposed to the spent on certain vital areas. What has this Budget done? Under NREP, from Rs. 236 crores in 1984-85, the allocation has been brought from to Rs. 230 crores.

Allocation for drought-prone areas programme has been brought down from Rs. 10 crores to Rs. 8 crores. Allocation for agricultural financial institutions which are playing a vital role has been brought down almost by 142 crores, from Rs. 297 crores to Rs. 155 crores. Cottage and village industries which is used with a certain approach on the technological instruments, whatever may be one's differences, has been brought down by Rs. 19 crores. Allocation for self employment schemes for educated unemployed has been brought down from Rs. 149 crores to Rs. 69 crores, by 80 crores of rupees.

Sir, housing, which is another vital sector has been brought down from Rs. 84 crores to Rs. 39 crores. Allocation for the welfare of Scheduled Castes and Scheduled Tribes, which I thought would be a prime concern, has been brought down from Rs. 71 crores to Rs. 42 crores. Rural Landless Employment Guarantee Programme and the Drought-prone Areas Programme remain stagnant. This explains the pattern as also a design and purpose.

Sir, now the argument may be that the State Governments are supposed to pick up and create revenue base, which is non-existent, for pursuing some of these goals and programmes. Now, can the Finance Minister tell this House honestly that the State Governments (considering the context of the approach that they have towards the State Governments, whether their own party or other parties) with the existing huge budgetary deficits, huge overdrafts and a shrinking and narrow revenue base, can ever pick up even the threads of what has been left behind for them?

Therefore, the rural and urban poor, Mr. Deputy Speaker Sir, the small farmers, and even the better of farmers, the Scheduled Castes and the Scheduled Tribes and all the other under privileged sections of the society and all those who struggle to eke out an existence, just existence, have been sacrificed in the interest of a few corporate giants and multinationals. This is a systematic approach and there is a clear design and purpose.

I shall concede this to the new Prime Minister and the Finance Minister. They

have been taken for a 'go', they have been taken for a ride by certain people. Therefore, this budget will encourage widening of disparities and inequalities, against which the nation has long ago decided, in the distribution of income and wealth. There could be an inflow of funds to share market. With what Pundits like Nani Palkhivala and other numerous tax experts and those who manage the share markets, praising the Finance Minister and the budget, the private sector will undoubtedly corner the resources which the Finance Minister has refused to pick up and mobilise. He has shifted away from resource mobilisation of the kind that was necessary to have a large plan frame and expenditure on public sector or expenditure on the total framework of the Seventh Plan.

Sir, in addition, this budget has certain inherent factors. I do not want to go into all the details because the time at my disposal is limited. It will only build a higher rate of inflation. Keeping the existing distribution of income in our society in view, I am sure, you know whom it hits hard. It will hit hard the bottom 30 per cent. If you care to read the National Sample Survey reports. You will find that, unfortunately there are more destitutes today in 1985, than in 1950, 1960, 1970 or 1980. This unfortunately being the condition today in our society, the Finance Minister has chosen willingly—I do not know whether unwillingly—a path to cut at the very hands, not merely the hands but the very existence of the rural and urban poor. Sir, there is a story in our parts, I do not know whether it is there in Tamil also. It is like sending a neighbour's child down in a disused well to gauge its depth. If he came out alive, you knew the depth. If he died, after all, he was not yours. That seems to be the approach of the Minister.

PROF. MADHU DANDAVATE (Rajapur) : The story is borrowed from Marathi Sir.

SHRIMATI VYJAYANTHIMALA BALI: Mr. Deputy Speaker, Sir; I am grateful to you for giving me this opportunity . . .

MR. DEPUTY SPEAKER : Only five minutes.

SHRIMATI VYJAYANTHIMALA BALI : You are already limiting my time, even before I start. Let me thank you for allowing me to express my views on the Budget.

I heartily welcome the Budget, and support it completely. This Budget, presented by our hon. Finance Minister totally justifies the promises made to the nation by our young, dynamic Prime Minister Shri Rajiv Gandhi. What our Opposition Members have been saying is rather pathetic. Just because they are in the Opposition benches, they believe they can criticize, just for the sake of criticism, a Budget which has made a new landmark for its sheer concept and youthful thinking, a Budget which has given a new direction, and a Budget which will benefit greatly the economy and the progress of our country.

I would like to say about the Opposition : *Hain Aadat se majboor; isliye bolenge zaroor* : I would like to say that no less a son than Shri Palkhivala who is one of the most leading economists in the country, a severe critic of the Government is to-day all praise for the Budget. He surely knows what he is talking about. He has said that this is the finest Budget in the last four decades. He is an authority to-day, or he is an acknowledged authority on income tax and Company laws. The Opposition Members are ill informed... (Interruptions) They can take time to laugh, later.

The Opposition Members choose to attack the Government, because they call it a rich man's Budget. I would say that this is the best *garibi hatao* Budget. Our beloved leader Shrimati Indira Gandhi had given the slogan *Garibi hatao*, and it is going to become a reality, because this Budget is aimed at *garibi hatao*, by *amiri badhao*. How can darkness be dispelled? Only by bringing in light. How can poverty be removed? Only by increasing the wealth of the country. And by doing this, I am sure, the economy of this country is going to make good progress.

This Budget is going to encourage many people to pay their income tax more

honestly and willingly. With this relief in income tax and so much relief in the Corporate taxes on companies, this Budget is going to make people pay their taxes without murmur or grumbling. The Centre will be able to distribute more financial help not only to various States, but be able to plough substantially finances for rural development and public welfare schemes and projects.

I assure you that as a tax-payer, I feel that by abolishing Estate Duty and Compulsory Deposit Schemes, our dynamic Prime Minister's policy has proved beyond doubt that heavy taxation is definitely detrimental to the progress of our economy. This Budget is definitely going to be a great boon to our economy, by the middle and the poor classes being thoroughly protected. They will be more than compensated by the galloping improvement in our growth rate in all sectors, whether public or private.

While speaking on this bold and progressive Budget, I would like to make an appeal to our dynamic young Prime Minister and his Government on a very vital issue, namely the scarcity of water throughout the country. With regard to the problem of water scarcity, I would like to appeal to the Centre to bring the Himalayan waters to the length and breadth of the country by joining the rivers from the north to the rest of India. This can only be possible by linking the rivers and letting their waters through canals to all the States of the country. I feel that this will serve five major purposes. (1) The floods and droughts which cause immense damage every year—in loss of life and property—in loss of crops and cattle worth crores—will disappear. (2) It will bring about national integration—and once the rivers are nationalised, the constant disputes and friction between the States over river waters will be settled once, for all. (3) The water supply from the mighty Himalayas will bring prosperity to 95 per cent of our population living in villages who will have wet land. (4) The modern technology will give us ample scope to put up innumerable fertilizer plants. Abundance of water supply and fertilizers will bring in the greatest agricultural revolution in the

country. India can soon be the granary of the world. (5) The unemployed millions living below the poverty line will get employment in this stupendous task.

When the super powers are busy stock-piling deadly and destructive atomic weapons and arms, they will have to buy food to live because their polluted atmosphere will stop yielding them any edible crops. Gandhiji's prophecy will come true—that India does not have to produce anything-except food, to get rid of poverty. I know it will not be an ordinary or easy task—Herculean task—but the youth always likes the challenge. In this year of 1985 which is marked as the year of the youth, I would like to request our Young Prime Minister and call upon the Youth of the country to take up this challenge and make India a dreamland of the world, green luscious and rich, prosperous, strong and united. National integration and unity of the country is of paramount importance to every nationalist Indian today. A great unifying force and fool-proof method to bring about this integration is through the system of education. I congratulate the hon. Finance Minister for providing sufficient funds in the Budget to modernise our educational system. I would appeal that education throughout the country should have or follow a uniform system so that children from different States can be admitted to any school in any part of the country. That can only be possible if the standard of education and the text-books are the same throughout the country. Even if it comes to nationalizing education, it will be a step in the right direction and put a stop to all mushroom schools that give substandard education and demand donations for one reason or the other. In many cases there are unqualified and untrained teachers handling the future citizens of India.

This is really a matter of grave concern to all, rich or poor alike. I am sure that in this budget, maximum attention will be paid to revolutionize the system of education as assured by our dynamic Prime Minister Shri Rajiv Gandhi. With these words, I welcome and support this bold and progressive budget.

**SHRI P. CHIDAMBARAM (Sivaganga):**

It is with deep humility that I rise to speak on the Central Budget for the year 1985-86. I sat here for three days listening to the members of the opposition; they have opposed it lock-stock and barrel. What had amazed me was not that they had opposed the budget of this government, but they should have paid posthumous tribute to the budget presented by the late Shrimati Indira Gandhi's government.

Just out of curiosity, I went to the Library and looked up the debates of last year. I found, not to my surprise, that even last year and the year before that, they opposed the budget with the same vehemence. So, one has to conclude that the opposition oppose this budget generally, but will not dare stand up and say, which concession is bad and which relief is bad.

I have just heard my hon. friend Mr. Unnikrishnan. Let me ask him. Or, when hon. friend Shri Indrajit Gupta went to the Finance Minister and asked him to abolish Compulsory Deposit, did he not then know that the abolition of the Compulsory Deposit will benefit only 75 million tax payers and not the 715 million non-tax payers? When my hon. friend Shri Indrajit Gupta went to the Finance Minister and said, "Raise the Income Tax limit from Rs. 15,000 to Rs. 18,000" did he not then know that any tax concession benefits only the tax payer? I thought it was elementary, as Sherlock Holmes said.

**SHRI INDRAJIT GUPTA :** That was not my only suggestion. I made other suggestions also.

**SHRI P. CHIDAMBARAM :** It is my maiden speech. Please do not disturb me.

As Sherlock Holmes used to say, "It is elementary, my dear Watson", I think I should tell Mr. Gupta, "It is elementary, my dear Mr. Gupta."

If tax concessions are granted, whether it be by this Government, or the Janata Government or any Government including the Government of West Bengal, the tax concession will obviously benefit only the tax payer. But is this Budget all about tax concessions? I ask my friends, particularly

Mr. Unnikrishnan, who spoke just earlier? What is he opposing? Is he opposing the increase in the national basis for calculating bonus from 750 to 1,600? Is he opposing raising the exemption limit for retrenchment compensation from 20,000 to 50,000? Is he opposing the working debts being treated *pari passu* with secured debt? Is he opposing perquisites on interest free loans not to be taxed with salary? Is he opposing the consideration received by scientists to be spread over by three years? Is he opposing 25 per cent reduction in income-tax to authors of text books? What is he opposing? Is he opposing crop insurance? Is he opposing social security? Without standing up and daring to oppose each and every proposal what is the point in opposing the Budget lock, stock and barrel, when what is in the barrel is something which has been widely welcomed—not because it is a private tax concession to the rich, but because it is inherently good, it will stimulate growth, it will reward enterprise, and it will motivate better compliance?

Now, having said that I must express some misgivings, the misgivings of a young man, the misgivings of a new Member of Parliament and I think a debate on these misgivings will help us. I sincerely hope that the hon. Finance Minister in his reply will clarify some of these misgivings, will dispel some of these misgivings. I shall enumerate them very quickly.

Firstly, let us take wealth tax. I can understand raising the exemption limit to two and a half lakhs. I can even understand specified assets or specified limits being exempted for consolidation of the aggregation. But I cannot understand—it will be very difficult to explain to the people—why a man who has accumulated Rs. 20 lakhs of wealth should be taxed only at two per cent and not at five per cent. I think it goes against the grain of our philosophy and I hope that the Finance Minister will take a second look at this, because I find that the reliefs that have been granted range from 63.8 per cent to 74.42 per cent and quantitatively the relief will be as much as 1,30,000 to the man of the highest slab.

My second misgiving is about Plan

investment. The Central Plan outlay for the current year, that is for the year to begin has been stepped up from Rs. 17,495 crores to Rs. 18,500 crores, which was a modest increase of 5.7 per cent. I humbly urge the Finance Minister to assure us that this will not mean that the total Plan outlay of Rs. 180,000 crores in Seventh Plan will be scaled down. Already there is a talk that this 180,000 crores will be scaled down. But I humbly urge the Finance Minister to assure the House that the increase in the annual Plan outlay will not mean that the total Plan outlay will be scaled down.

My third misgiving is about the anti-poverty programmes. I agree to some extent—but not with the tenor of the criticism of the misgivings expressed by the Opposition. We find that the provision under the NREP, RLEGP, IRDF, the Desert Area Development Plan, the Drought-Prone Area Development, Self-Employment for Educated Youth, has been kept at the same level. In some cases there is a marginal reduction. I take comfort in one sentence of the Finance Minister's speech where he says that Government is committed to further strengthen and improve the performance of these programmes and the allotments will be enhanced, if required. I urge the Finance Minister that anti-poverty programmes are the backbone of the 20-Point Programme. And the fact that the outlays for the new year have been kept more or less at same level as the outlays for the current year, should not give rise to the impression that these outlays will not be increased or there is a back sliding from our commitment to these anti-poverty programmes. I would urge him to enhance the allotments under these programmes, because these are vital for ensuring social justice.

My other misgiving is in the area of prices. Everybody has spoken that prices are bound to increase after this Budget. The hon. Finance Minister has increased the levies on vegetable products, cement, earated water, writing and printing paper, bidis and soap and introduced for items in the excise tariff. The price rise in 1983-84 was 13.7 per cent and in 1984-85, according to his speech, it was 4.4 per cent. Is it necessary that we should impose these levies on commodities which are of house-

hold consumption? Any price rise occurs in 1985-86 will be on top of 4.4 per cent which was on top of 13.7 per cent. I would urge the Finance Minister to kindly re-consider these levies, particularly levies on aerated water, printing and writing paper, bidis soap and travel goods. The total of this comes to about Rs. 60 crores. If these levies are not imposed, I do not think the total deficit will increase so enormously that one has to make up the deficit by imposing these levies.

My other misgiving is on Tariff Item 68. Let me congratulate the Finance Minister that he is the first Finance Minister, who has stood up to the mechanised match industry's lobby. He has now rationalised it. But, I think, his Department has let him down in Tariff Item 68. Tariff Item 68 is the new Kamdhenu. When it was introduced by Shri C. Subramaniam, we knew that it would be stirring the hornets' nest. From 1 per cent it was increased to 10 per cent and now it is increased to 12 per cent excise at the specific levy whereas Tariff Item 68 is the residual basket. It is a mindless levy without knowing exactly what will come in Item 68. Mostly the industries are small scale industries. And it will give rise to an all round price increase. The ancillaries etc. will be affected. I would urge the Finance Minister to do away with Tariff Item 68 and introduce specific commodities as he has done in the case of four commodities, in the Schedule and let us not have this residual basket and have a blanket levy of 10 or 12 per cent.

There is one other thing about Tariff Item 68. Until this year there was a full exemption upto Rs. 30 lakhs. In 1977 there was a sliding back and we reduced it to Rs. 15 lakhs. But this year, I find that the Finance Minister has taken away full exemption upto Rs. 30 lakhs. There is a levy at Rs. 20 lakhs and at Rs. 25 lakhs. This is not good for the small scale industry and the ancillary industry. The Finance Minister should restore the full exemption upto Rs. 30 lakhs for Tariff Item 68.

Finally, about Estate Duty. I welcome abolition of Estate Duty. But I cannot understand why it is to take effect from 16 March, 1985. Nobody can plan ahead.

Under the Act there is a six months period for accountability. The accountable person has to file a return after a death. Logically this benefit should be given effect to from 16-9-84 so that all accounts which are pending and where the accountable person has not yet filed the return, should be relieved of the burden of filing of the returns in respect of a death which occurred after 16-9-84.

With these misgivings, which, I hope, stir a debate and the hon. Finance Minister will be pleased to clear in his reply, I think, by and large, this Budget fulfils the promises for growth and social justice and it will fulfil the promises that we are going to emphasise on food, work and productivity. I do sincerely hope that the hon. Finance Minister will take note of the sentiments expressed in this House and in his reply will give us some clarifications to the misgivings which I have expressed.

SHRI V.S. KRISHNA IYER (Bangalore South): Mr Deputy Speaker, Sir, I was really feeling happy when the new Government was formed at the Centre and our young Prime Minister said that this year's Budget will be a departure from the past. I have gone through the Budget Speech of the hon. Finance Minister. Of course, it has been a departure in the sense that the deficit has been so huge as Rs. 3,394 crores. It is unprecedented. Never in the history of the Central Budget has there been such a fantastic figure of deficit as this. Just now one of the hon. lady Members from Madras said this is a '*garibi hatao*' Budget. Looking at the Budget from this point of view, I would like to ask how is the poorest of the poor, the man below this poverty line, going to be benefited by the Budget. Just now I have heard a very interesting speech from the hon. Member Shri Chidambaram. He made a very good speech indeed. I want to ask whether it will really help the poor. Except one silver lining in the Budget, that is crop insurance and social security, in which other aspect the Budget has helped the poorest of the poor? The other things like NREP, IROP, etc. are routine things going on for the past several years. In spite of these programmes if you see the number of persons who are below the poverty line, you will find that their num-



ber has remained constant.

13.01 hrs.

[Shri Vakkom Purushothaman in the Chair]

I do welcome certain reliefs given but those will not help the poorest of the poor. In the case of income-tax, the hon. Finance Minister has raised the limit from Rs. 15,000 to Rs. 18,000 and has also reduced the slabs. He has also done away with the surcharge on income-tax. Of course, this will help to the extent that the irritation is removed, but whatever relief he has given from one hand, he has taken away from the other. During the last two-three days I have done a little home work. I was shocked to learn from the middle-class people, even from those who are income-tax assesseees, that the monthly expenditure of a middle-class family in Bangalore City will increase by Re. 100 because of the taxes levied by way of the two Budgets presented by the Finance Minister and the Railway Minister. Of course, I cannot say about those who are below the poverty line because they have no income at all. Their living is going to become more miserable. The middle-class people have told me that though otherwise they would have had to pay a tax of Rs. 225 to Rs. 500 but now they will have to pay nearly Rs. 1,200 because of the new levies. Particularly because of the increase in the excise duty on petrol which has been enhanced from Rs. 100 to Rs. 300 per metric tonne, the petrol dealers in Bangalore City have increased the price of petrol by Rs. 1.05. The petrol dealers have their lobby and if you increase the price by eighty paise, they will add another twenty paise of their own. I have also made calculations in respect of kerosene and other articles of daily use like cosmetics, soap, etc. I visited about three-four families of various income groups between Rs. 500 and Rs. 1,500. All of them feel that their cost of living will really go up and it will be impossible for them to bear this burden. So, I urge upon the Finance Minister to withdraw these levies. If these levies are meant to give relief to the persons in the matter of income-tax, then I do not oppose these, but you have not given relief to any person. Of course, you have been able to remove irritation but no relief has been given.

There are two or three projects in Karnataka which have been ignored. We have been urging in this House and in the other House that the Vijayanagar steel plant must be taken up and executed.

We are surprised and we are shocked to find that during the current year only Rs. 1.5 crores have been provided, as against Rs. 2 crores last year. Government should come forward and say whether they are going to take it up or not. I want a categorical reply from the Government of India whether the Vijayanagar steel plant is going to be taken up or whether you are going to shelve it. This is a very important matter, so far as Karnataka is concerned. Therefore, I would request the hon. Minister to state the position categorically.

Another disappointment to the people of Karnataka is that, though the Government of India promised that the Electronic Telephone Exchange Factory will be set up in Bangalore, not a single paise has been earmarked for that purpose.

Thirdly, so far as the Kudremukh project in Karnataka is concerned, while last year you provided a sum of Rs. 17.93 crores, this year the allotment has been reduced to Rs. 11.5 crores, yet another instance of Karnataka not getting its legitimate due.

Finally, I come to my constituency, Bangalore City, where the water problem has become a matter of grave concern. Only today morning, I had a question in my name on this subject. Unfortunately, it was not reached. We have submitted a scheme for taking up Cauvery Third Stage. In the proposed reply of the Minister to the question it is stated that the Karnataka State should get the concurrence of the basin State before it is taken up. So far as drinking water is concerned, what is the necessity for the Government of Karnataka to get the concurrence of the basin State? It is not at all necessary. It is a matter of life and death for 35 lakhs of people in Bangalore City. So, I would request the Government of India to give immediate clearance for the taking up of the Cauvery Third Stage scheme in the Seventh Plan. They should give not only clearance, but also financial aid, especially when Bangalore has many Central Govern-

ment industries and defence establishments.

I oppose the levies suggested by the Finance Minister. But I do welcome the one or two social security measures and the introduction of the crop insurance and abolition of CDS.

SHRI HAFIZ MOHD. SIDDIQ (Moradabad): Mr. Chairman, Sir, I am obliged to you for giving me an opportunity to speak on the Budget presented by Shri Vishwanath Pratap Singh. The proposals included in the Budget are important for our country. Similarly, the concessions given to industrialists would accelerate the pace of progress and solve the problem of unemployment. Along with this, it has encouraged our taxpayers to reveal their income correctly in their returns. I congratulate the Finance Minister for presenting a good Budget. All sections of our society will be benefited by it. There are many industrial units manufacturing utensils in Moradabad. These utensils are exported. As compared to 1980, the export has gone down. I would request the hon. Minister to formulate an export policy which may promote the utensil industry and check unemployment among artisans and craftsman. Until means of transport are available, no industry can flourish. There is no train to Allahabad, Bombay and Agra from Moradabad and, therefore, we have to face a lot of difficulty in the export of utensils.

As far as this Budget is concerned, there are no two opinions that it has given us a new direction. It seems that we would be able to remove unemployment. The funds allocated for NREP are too inadequate. Similarly, the amount allocated for the weaker sections is also meagre. The Prime Minister, Shri Rajiv Gandhi, deserves congratulations for saying a word of encouragement to the poor and the backward people in Ahmedabad. Hon. Members are aware that the situation had deteriorated there. I would like that steps should be taken to prevent communal classes. I congratulate the hon. Finance Minister and with these words conclude.

[English]

✓ SHRIMATI SHEILA DIKSHIT (Kannauj): Mr. Chairman, Sir, I rise to support the Government's Budget for 1985-86. The first Budget of the Government deserves congratulations and acclaim as it promises to give a new direction to the financial resources of our country to face the requirements of a modern India moving to meet the challenges of the 21st century. There is, as has been erroneously purported by some hon. Members in the Opposition, no break from the past; nor a deviation from our country's commitment to bring development with social justice to all.

The comprehensive scheme of crop insurance is a major measure of security and incentive to the farmer for greater investment and consequently more production. It is a laudatory and a welcome scheme. I would, however, whenever the Government announces the details of the crop insurance scheme, plead for its extension to the growers of potatoes and onions as I would plead for the extension of effective price support operations by the Government to the potato and onion growing farmers.

The resolve of the Government to restore donations by companies to political parties is a step in the right direction. It not only recognises the responsibility of industry towards the political process, but also goes a step ahead to further the commitment made by the Prime Minister to cleanse public life.

Reduction in the rates of income-tax, including reduction in the rate of corporate taxation, the withdrawal of the dreaded C.D.S., the enhancement of the rate of gratuity and increase in pensions will bring much needed relief and confidence to that section of the people, who had come to believe that they alone were being singled out for taxation. It is also a step that would encourage and induce wage earners to pay taxes and contribute their mite willingly to the task of funding the nation's growth.

In indirect taxation, however, we must strive towards a system of progressive

levels and discrimination in favour of essential commodities and manufactures constituting the predominant spending of the economically weaker sections of society.

Introduction of the social security scheme covering risk of death by accidents of landless farmers, craftsmen and other unorganised labour is commendable and welcome.

The Finance Minister also deserves congratulations on the proposed legislation to ensure payment of legitimate workers' dues at par with secured creditors in the event of closure of a company.

The proposal to raise the present rate of Rs. 25,000 to Rs. 50,000 as loan to educated unemployed is realistic and will ensure better utilisation of sanctions.

Energy and power are of critical importance. On generation of power depends both out industrial and agricultural growth. This is beyond dispute. Generation of power has increased by nearly 50% in the 6th Plan Period. During April-December, 1984, it increased by over 13% over the corresponding period in 1983. But it may be noted that even this impressive growth is not adequate to meet the acute actual shortage which still persists. Existing capacities should be utilised efficiently and to the fullest extent. Greater encouragement and fiscal inducements could be given to the private entrepreneurs to invest in this vital sector.

It is with great pleasure that we note that during the 6th Plan, 2 lakh problem villages were covered under the accelerated Rural Water Supply Programme. I would like to congratulate the Government on this achievement. I am using this occasion to plead with the hon. Finance Minister that we must make a commitment and pledge to provide all villages with hygienic drinking water at the very earliest and with the topmost priority.

SHRI LAL DUHOMA (Mizoram) : Mr. Chairman, I rise to support a commendably pragmatic Budget any exercise which is sure to stimulate growth, improve efficiency and provide relief where needed and invigorate the economy as never before. It is a sound fiscal

policy which reduces taxes and yet ensures better tax compliance resulting in higher revenue for the Government.

Some critics have said that the high deficit in the Budget will lead to inflation. I do not agree with this argument. If one really cares to study the recent behaviour if the industrial and even agricultural growth, it will be seen that the growth has been affected by the shortage of demand. In other words, the demand was not increasing as fast as production could be raised. In the type of situation, pumping more money in the economy is more likely to will rather serve as a tonic to the growth that as a stimulus to price increase. However, I concede that sometimes one has to accept the hard facts of life. This Budget too may not be totally free from such hard-decisions taken. We have to understand and accept such measures them if any as necessary evils. They are much more necessary and less of an evil than many of my hon. friends sitting on the otherside generally tend to believe so as a matter of habit.

Mr. Chairman, Sir I do not want to waste my limited time in going on these beaten tracks. Let me give some concrete suggestions on this Budget, so far as it relates to the fate of the poorest of the poor, the downtrodden and the under-feds of our country. To me, the nation marching towards progress is like running or relay-race in which everybody, weak or strong, has a role to play. As the chain is as strong as its weakest link, so is the nations economy. It is, therefore, very necessary. to remove regional imbalances in order to have healthy growth of national economy. For that purpose, I may give my own constituency Mizoram as an example, not because that I am concerned only with my constituency alone but because Mizoram has a number of difficulties, similar to the other backward areas of our country. Now, in the case of Mizoram, it was only in 1972, that for the first time, the Fifth Five Year Plan was introduced in a meaningful manner. Since independence all the other States of the country have been marching towards progress along with the introduction of the Five Year Plan. What I mean to say here is that the Fifth Five Year Plan for the rest of the country happened to be only the first Five Year

Plan in the case of Mizoram.

We are now approaching the Seventh Plan which is going to be only the third Plan in the case of Mizoram. What I would like to point out is that there are some areas and regions in our country which are late starters, lagging and staggering along behind the rest of the country, where we have not made any meaningful asset or any infrastructure or any financial institution.

There is a Peculiar problem faced by Mizoram. That is fortunately or unfortunately, the literacy percentage is very high there. It is the second highest in the country. But, at the same time, we cannot provide any means of livelihood to our educated young people. Hence they get agitated and frustrated to the extent of saying, "We are not Indians". That is why they have demanded complete independence. In a situation where insurgency is there, the Government has to take a firm action which is bound to be followed by various sufferings.

May I tell you, from my own experience, that one fine morning myself, along with all the villagers were driven out of the village by the army like a flock of cattle driven towards a Crouping Centre due to security reasons only. This happened to about 411 villages in Mizoram during 1966-70. We left all our belongings and everything in the villages which were burnt to ashes by the Army. The world does not know it. The hon. members of this House do not know the depth of the wounds inflicted on the innocent people there. The Tribal traditional Ceremony was, thus, made upside down.

I am happy to point out that this Budget is going to serve two purposes. One is healing the wounds of the people to bring them into the mainstream the national life and the other is economic progress as such. There are many untold sufferings there which I have no time to narrate.

What is more relevant now is what we are going to do for the people who have been beaten up and even killed, I do not use the legal word murder because they were hardly murdered, not amounting to even a culpable homicide. This was the fate of

the people there in those dark days. I am happy to see many measures introduced in this Budget which will win over the hearts of the people. The first thing necessary is to put an end to the shifting cultivation, that is the traditional method of cultivation which is most destructive and unproductive. It is very harmful for the ecological balance, environment and wild life, etc. To stop the shifting cultivation, we have to commercialise the cash crops and forest produce.

I suggest that the crop insurance scheme may also be extended to cash crops like ginger, potato, etc. Social service scheme, Market Intervention Operation and the price support schemes are going to be answers to these problems provided by this Budget. To sell those items in Calcutta market, opening of the closed Railway service from Calcutta through Bangladesh may be taken up with the Bangladesh Government.

The assistance for animal husbandry, IRDP and NREP may be given in some cases in cash because, for example, the cows given to the beneficiaries are not suitable to the local conditions in the Hills. They used to die very soon. If it is given in cash, they can purchase the cows of their own choice. When it is given in kind, the contractor manipulates and tries to take his own share, thereby reducing the real value of assistance actually given to the beneficiaries.

Regarding water supply and sanitation, I want to mention that one bucket of water is sold at Rs. 3 at Aizwal in Mizoram. The water scarcity is very acute and chronic. Hence the World Health Organisation and the UNICEF assisted programme may kindly be extended therefor which we have Rs. 300 crores in the Budget.

Regarding civil aviation, we used to have Vayudoot service direct from Calcutta to Mizoram which was cheaper and shorter than flying via Silchar. The service has been discontinued for several months now due to the ground repair. I would request the Government that there should not be any delay in starting the service due to paucity of funds since Rs. 59.96 crores are being earmarked for this purpose. Besides one full-fledged airport may kindly be constructed in Mizoram as soon as possible.

[Translation]

DR. DATTA SAMANT (Bombay South Central) : Mr. Chairman Sir, I have been given very little time. On seeing the entire Budget, it seems that the concessions given to industrialists and capitalists far exceed those given during the last thirty years of Pt. Nehru and Mrs. Indira Gandhi's rule. The new Congress Government want to run the economy on new lines.

Much concession has been given in income-tax. According to MRTP, if the capital investment increases from Rs. 20 crores to Rs. 100 crores, the employers and the big industrialists enjoy more concessions. The Estate Duty has been abolished. The Government should ensure that the concessions allowed to the industrialists and the employers do not only benefit them but also benefit the poor, the needy and the unemployed. I would like to know whether the concessions given in the present Budget would benefit the poor and the unemployed.

Alongwith this, I would like to draw your attention to the sick textile mills and other sick mills. The number of sick mills is increasing. Do the Government have any control over these mills where public funds have been invested? Did you take any remedial action to reduce the number of these sick units? The textile mills in Bombay, Gujarat, Kanpur, and Delhi have closed down and about 3 lakh workers have been rendered unemployed and Shri Rajiv Gandhi had given assurance to them during the elections. Assurance was given during Presidents' rule also and the same is reflected in this Budget, *i.e.*, the Government would soon announce a new textile policy. You are giving concessions to the power-loom and hand-loom industry. We have never protested against it. You are going to put an end the textile industry, but have you ever thought of the workers engaged there? You talk of rural employment and try to make political capital out of it but what have you thought about these workers? If the Government do not take a decision on the textile policy soon and undo the injustice being meted out to these three lakh workers, it would further increase resentment and discontentment among the workers.

What concessions have been given to the workers? It is correct that the limit of salary for the payment of bonus has been increased from Rs. 750 to Rs. 1600. Even the organised workers are not benefited by the Bonus Act because the mill-owners do not show any allocable surplus as the money is shown to have been used against depreciation fund or as investment allowance and other expenses in mill-owners account. The workers are subtly rut off on the above pleas. Workers in some cities shali, of course, benefit but Central Government is not implementing the Wage Board award and other schemes for workers and only talk of pension scheme as also of the Railway employees.

You have made a provision of paying Rs. 3,000 as compensation in the event of an accident. I would like to submit that there is more propaganda on the radio, television etc. regarding the concessions to be given to the warkers. The number of anorganised labour in our country is more. Half of the workers are temporary. There is casual labour and contract labour and there are eight or nine per cent agricultural labourers. There are people living below the poverty line. You are doing nothing for them. Today, there is much profit in tea, coffee and sugarcane. What are the steps proposed to be taken by Government in this regard? You have given some concessions to the organised labour.

You are promoting agriculture in the country. You give concessions to the agriculturists, provide seeds, fertilizers and analise other inpute. Maximum amount from the national exchequer is being spent on the agriculture. Although about forty years have elapsed, yet it has not been examined whether tax should be levied on agricultural income or not. For example, in Maharashtra, sugarcane worth Rs. 1,200 crores is sold. Government may exempt the small farmers but should levy income-tax on these big farmers earning lakhs of rupees of profit from coffee, tea and sugarcane. You want that the production should increase. But what immediate relief is being provided in the Budget for 44 per cent people of this country living below the poverty line? The prices will naturally increase when the taxes go up. You have increased the import on petrolcum products by 15 per cent and import on

other items also has been increased. People having average income will have to pay the increased price now. What immediate steps do Government propose to take to solve this problem ?

You are encouraging big industrialists. These big industrialists and capitalists are miserly people. They would not like to part with a single paisa. They will not pay anything either to the Government or to the workers. You may be going in for free economy. You will find in the industrial estate of Faridabad that there are 75 per cent contract labourers. These concessions ultimately would be usurped by the capitalists. The Sixth Five Year Plan is coming to a close. According to the Planning Commission report out of the target fixed for providing employment in the Sixth Five Year Plan, employment for 3.10 crores only has been provided. Unemployment is increasing on the whole. This fact has been mentioned in the Palkhiwala report and in your report as well. The Seventh Five Year Plan is going to start and the problem of 5 crore unemployed youth is before you. What steps are you going to take to solve their unemployment problems. You are providing funds to the industrialists for introducing automation but what are you going to do in regard to the increasing unemployment ?

I will conclude after saying a few words about the employees. You have raised the income-tax limit from Rs. 15,000 to 18,000. You had given many assurances but they have remained unfulfilled. The previous limit of Rs. 15,000 actually comes to Rs. 20,700 due to increase in prices. So this concession is meaningless. If you raise this limit to Rs. 25,000, only then some benefit may accrue to the employees.

Keeping in view the rising political stature of Shri Sharad Pawar in Maharashtra, the Prime Minister Shri Rajiv Gandhi had told the farmers that remunerative Prices would be fixed for agricultural produce but the Budget does not reflect anything to this effect. Similarly, nothing has been done in this Budget for the poor. Government should do something for them

[English]

SHRI SHANTARAM POTDUKHE (Chandrapur) : Mr. Chairman, Sir, I congratulate the hon. Finance Minister for his bold, imaginative and dynamic Budget. He has very rightly remembered late Shrimati Indira Gandhi while presenting this Budget. He has said :

“No section of our vast and diverse population should feel forgotten. Their neglect is our collective loss.”

This is how he has remembered Shrimati Indira Gandhi while presenting this Budget.

I congratulate the hon. Finance Minister specially for laying more stress on family planning. The annual addition to our population is 15 million people and that requires us to have 1.4 million tonnes of foodgrains. This is equal to starting 7,900 new houses per day and 40 new schools per day. So, this is the great task which our Finance Minister is having before him.

I really want to congratulate the Finance Minister for this outlay for environment of Rs. 36 crores. The environment aspect had been neglected earlier. He has kept Rs. 10 crores for prevention of pollution of the Ganga river,

In the 20-point Programme, there is much stress on afforestation. The recent Lok Sabha election have given a big mandate, a big majority, to Shri Rajiv Gandhi. About gains in planning, Shrimati Indira Gandhi had said that our gains in planning should not result in losses in our environment. The other day in this House many Members have said that a lot of our forests are being destroyed, the percentage of forests is decreasing.

Therefore, much stress is to be laid on afforestation. I must point out about two multi-State projects going on. One is the Inchampalli project between Andhra Pradesh, Madhya Pradesh and Maharashtra. The second one is the Bhopalpatnam project between Madhya Pradesh and Maharashtra. A lot of forest land is coming under projects, Around 1 lakh of tribal people are being affected and looking to the loss of forest cover it now needs that it should be given a rethinking because

the environmental aspects should be given due consideration.

I congratulate the Finance Minister for abolishing the licence fee on TV and radio. TV and radio are means of education and they are a means of mass communication. They educate and entertain and now TV and radio are no more luxuries and they have become essential for middle class people.

In this budget relief for the common man has been given. In regard to income tax 40 lakhs tax-payers have been given a great relief. As Madam Gandhi has said and which has been quoted by our Finance Minister in his speech we have got faith in new India and the new India shall march ahead. That is the message of this budget and I support the budget.

**SHRI SHANTARAM NAIK (Panaji) :** Now it is a settled thing that this Budget is a budget which no sane man can criticise. Earlier I have seen that criticism used to come from several quarters but there never used to be any constructive criticism. For instance, now when the petrol prices have been raised, no Member of the Opposition Parties has said how this gap can be filled. If they have suggested any particular mode by which this gap of hundreds of crores can be filled, then it can be said that there is a proper and constructive criticism. But this was not done and on any aspect has there been any constructive criticism.

To-day Palkhiwala has come out with a clear-cut statement that this is a good budget. Not that the past budgets were bad budgets. But, then with due respect to Mr Palkhiwala, often Mr Palkhiwala used to oppose the budget for opposition sake. Because for the last 30-35 years the country has been progressing and every year Palkhiwala has been saying that the budget is a bad one and it is inflationary and all that. But we have been seeing that the country is progressing. Then how is it? That means that he has been proved wrong. Otherwise the country could not have progressed so much.

With respect to my territory of Goa, Daman and Diu, I would like to take some suggestions and I would request the Finance Minister to take note of certain things. There are 9 Union Territories and

22 States in this country. The budgets of all the 9 Union Territories are made directly by the Central Government. The Central Government finances us directly. To-day a territory like Goa, Daman and Diu is financially sound and it can stand on its own feet because of the budgetary assistance given by the Central Government for the last so many years. Now the time has come that this Union Territory of Goa, Daman and Diu can be granted the status of a full-fledged Statehood. I would like this to be considered, because if our territory is financially sound and it can stand on its own feet, then the Central Government can consider whether we can be granted statehood or not; otherwise the status of a Union Territory is very pitiable. I might say that just now, a short while ago the Minister for Home Affairs introduced a Bill to amend the Union Territories Act.

A few days back we had introduced here a Bill on anti-defection and this law which has amended the constitution of this country does not apply to our territory because we are ruled by the Union Territories Act, 1969 whereas you are all governed by constitution. We would also like to be governed by the constitution of India in State. Therefore, I would request the Government of India that a chapter be added in the constitution for the purpose of Union territories also.

Further, if the Council of Ministers in a Union territory makes recommendation to the Administrator, namely, Lt. Governor it is not binding on him to accept it. He can reject it whereas the advice by the Council of Ministers in a State is binding on the Governor.

I would also like to submit that a place should not only be developed materially but also developed culturally. When Goa became liberated the Constitution of India was already there. We were taken into its fold and rightly so but our language—Konkani—has not been put in the Eighteenth Schedule. This should be done.

Lastly, we have a TV centre at Goa with 10 KW capacity, However, only 1 KW capacity is used as the tower is not of sufficient height. I would request that since Goa is a centre of art and culture, ENG equipments be provided for it to

produce small TV programmes.

At the end I would say that the legal aid work has been going on satisfactorily. However, I would suggest setting up of a Directorate of Legal Aid to look after the implementation of the legal aid programme.

[*Translation*]

**\*SHRI P. SHANMUGAM (Pondicherry):**  
Mr. Chairman, Sir, I am grateful to you for giving me this opportunity to participate in the Debate on General Budget for 1985-86. I am happy to say that this epoch-making Budget presented to this House under the leadership of young and dynamic Prime Minister, Shri Rajiv Gandhi has received universal support. Though this is the maiden budget of the new Government, yet it has been acclaimed by the people of our country. Shri Vishwanath Pratap Singh, our Finance Minister deserves whole-hearted commendation of the entire House for this unprecedented Budget. In 1983-84 the foodgrains production rose 151.5 million tonnes from 130 million tonnes in 1982-83. The power generation increased from 7.6% to 13.5%. the coal production went up by 6.9%. The spiralling inflation has been controlled. The export earnings rose by 23%. In 1984 our Government did not avail of the balance loan from IMF because the resources positions proved to be sound. The countries which feel jealous about the stable Indian economy are instigating communal violence within the country and are also supporting the neighbouring countries like Sri Lanka in their anti-Indian activities. You know, Sir, how the Tamils of Sri Lanka are being subjected to all kinds of atrocities. Our Opposition Parties, like the jaundiced man whose eyes everything yellow, are prone to oppose everything done by the Government. Unless they behave reasonably, and responsibly, democracy will not take deep roots in the country.

In the textile industry, there are 125 sick units. They have been incurring losses year after year. According to the statistics furnished to the House by the Minister of State for Commerce, the loss of NTC is of the order of Rs. 590 crores, inspite of the

fact that a sum of Rs. 130 crores, has been invested in modernisation of machinery in these textile mills. It is inexplicable to me how the private sector textile mills are running profitably, while the NTC mills are suffering recurring losses. This is primarily due to encapacity and inefficiency of those in charge of National Textile Corporation. The NTC seems to have become a refuge for inefficient officials. I want that radical decisions should be taken to change the entire administrative set up from top to bottom in NTC. Then only we can expect NTC to deliver the goods.

I have been elected from Pondicherry Union Territory. In Pondicherry there is only one big textile mill by name Anglo-French Textile Mill. From June 1983 this has remained closed. 7500 workers are struggling between life and death. The Pondicherry Administration does not have money to take over this mill. It is the persistent demand of 7500 workers, their 40,000 dependents and the people of Pondicherry, that this Mill should be nationalised by the Central Government and then handed over to NTC. For the past 20 months the economy of Pondicherry has been in shambles. The other day in reply to a parliamentary question, the hon. Minister of Finance and Commerce stated that an inquiry has been instituted to find out the feasibility of nationalising this Mill. I want that this inquiry should be expedited and immediately after getting the report the mill must be re-opened. The hon. Minister of Finance should rescue 7500 workers and their dependents from the clutches of death.

I am compelled to say here that even the NTC Mills in South, which were making profit, have started incurring losses. This aspect has also to be gone into by the Hon. Minister of Finance. Adequate steps must be taken to make NTC a profitable institution.

Pondicherry is the capital of Union Territory having Central Government offices, nationalised banks, industries, JIPMER, the premier medical research institute in Asia, the internationally renowned Aurobindo Ashram which is visited

\*The speech was originally delivered in Tamil.



by thousands of devotees from all parts of the world. There are thousands of retired Army Personnel of French Army, receiving fabulous pension amounts. This has contributed to continuous rise in prices of essential commodities. There is acute shortage of housing and the rents are very high. This has affected the living conditions of the employees of Pondicherry Administration. They have been demanding for long that Pondicherry be made into B-2 city, which will enable them to get higher rent allowance. I want the Hon. Finance Minister to look into this and do the needful. Similarly, Kuraikkal, Mahe, Enam should be given C status so that employees get higher benefits. Two years ago the former Minister of Civil Aviation laid the foundation-stone for Pondicherry Airport. Since then the people have been expecting that the IAC will start a service between Pondicherry and Madras. Unfortunately, after the laying of foundation-stone no work has been started so far. At least in the 7th Five Year Plan, Pondicherry Airport should be completed and Pondicherry should be linked by air with Madras and other metropolitan cities. Recently, the democratically elected Ministry has taken office in Pondicherry. I take this opportunity to demand that the elected representatives of Pondicherry Assembly should be enabled to vote in the Presidential election. Presently they have not got this right. All the Union Territories should be brought under the ambit of our Constitution. With these words I conclude my speech.

**SHRIMATI PRABHAWATI GUPTA** (Motihari): Mr. Speaker, Sir, I welcome the Budget for 1985-86 presented by our dynamic Finance Minister and thank him for presenting such a good budget.

The Finance Minister has given a new direction to the Budget. This is an unprecedented and revolutionary Budget and will accelerate the pace of development in the country. Through this Budget, the country has been put on the path of progress.

I feel that for the first time the Central Government, instead of merely taking recourse to statistics, have given special attention in the Budget to development.

Secondly, equal treatment has been given to planned and non-planned expenditure. In this Budget, encouragement has been given to the Private Sector also.

The most important aspect of this Budget is that the Finance Minister has implemented the assurance of abolishing the compulsory Deposit Scheme and Estate Duty embodied in the election manifesto of the Congress. Similarly Government have embarked upon implementing other assurance given in the Congress manifesto.

This Budget provides relief to every section of the society. Many hon. Members including Shrimati Vyjayanthimala observed that this Budget would eradicate poverty and also benefit the rich. The middle-income group people as well as the pensioners will also be benefited. For the first time, incentives have been given to the industrialists. Now, they have to prove how far they can develop the industries benefiting the country at large. By giving encouragement to industries we shall be able to reduce inflation.

In this Budget, new taxes to the tune of Rs. 141 crores have been levied and a deficit of Rs. 3,349 crores has been shown. Deficit financing is not always undesirable. In some cases deficit financing culminates in stabilising the prices and containing the inflation. I am sure this Budget will prove helpful in containing the inflation.

The Seventh Five Year Plan will commence from first April. I congratulate the Government on the achievements made in the Sixth Five Year Plan. Our economy has become strong due to our remarkable success in agriculture. This has provided us with the requisite infrastructure for economic development and this will be conducive to further strengthening our economic condition during the Seventh Five Year Plan period.

Welcoming many commendable features of the Budget, I would like to urge upon the hon. Minister that the import on kerosene oil, which is used by the poor, should not be enhanced. It should rather be reduced.

I would also like to submit that a high powered television centre should be set up in Patna, the capital of Bihar.

**SHRI BANWARI LAL BAIRWA (Tonk)** : I am thankful to the hon. Finance Minister for presenting such a sound and balanced Budget. The Budget, prepared under the guidance of our young Prime Minister, will result in giving form and meaning to the hopes and aspirations of the youth of the country and will strengthen their resolve to march ahead on the path of progress.

Mr. Chairman, Sir, Budgets are presented every year and we make some progress also. Our Finance Minister has presented a balanced Budget making provisions therein for every section of the society. An attempt has been made to provide relief to every section of the society especially to the industrialists and the Government employees who have been provided with relief in income tax and in many other taxes. Mr. Chairman, Sir, due to paucity of time, I shall not go in detail but draw your attention to some main points only.

The 20-Point Programme has changed the face of the country. The condition of the villages has been transformed. The need of the hour is to pay still more attention towards this. We had promised in the election that in the next budget more funds would be made available for rural reconstruction. Even today, the condition of our village is not satisfactory. Today, the people living in the villages have lost their patience. They are no longer prepared to wait any further for electricity, water, road, school and hospital facilities. I urge upon the hon. Minister to examine all these problems on priority basis. When we go to villages, the people there confront us with the complaints that we ask votes from them but electricity is made available to the cities. You have allocated Rs. 2,000 crores for electricity. This amount is not sufficient. Further allocation for it is required. In Rajasthan, the total electricity generated from all sources is 1,730 megawatts. Our main source of electricity is K.A.P.P. of Kota. You have stated in Paragraph 45 of the Budget speech that efforts would be made to consolidate the gains of the past. In this context, you should look into the problems of Kota Atomic Power Plant. When it closes down, our power capacity

is also reduced to half, Electricity is available some time for five to six hours and sometime for eight hours. Today, the farmer is not prepared to reconcile himself to the fact that electricity is made available to him only for five hours. He advances the argument why when in the cities electricity is available for 24 hours, it should not be made available for 24 hours in villages also. This needs more attention.

Mr. Chairman, Sir, many years have passed since the country attained independence, but the problem of drinking water has remained unsolved. So, attention should be paid towards it.

In the end, I come to my State. The Rajasthan Canal, which has been rechristened Indira Gandhi Canal, will be the longest Canal not in our State or country but in the whole world. Its work should be expedited. Similarly, work on the Bisalpur Dam should also be completed at the earliest. This will transform our district and drinking water will be made available to Ajmer. Irrigation facility will be made available to Sawai Madhopur, Bundi, Tonk and other places and consequently 66,000 hectares of land will be irrigated.

I welcome the Crop Insurance Scheme. This should be made applicable to other crops also and then it will be more beneficial. However, this is a good beginning. Sufficient amount of loan should be provided to the poor. For example, if loan is to be provided for purchasing bullockcart, the amount of loan should be sufficient to enable a person to purchase it.

I have done.

[English]

**MR. CHAIRMAN** : Will the hon. member kindly resume his seat? Nothing will go on record, if he continues to speak.

**DR. K. G. ADIYODI (Calicut)** : Respected Chairman, Sir, by presenting a progressive budget, the new government has justified the trust that the people had reposed in it. It has aimed at making the country's economy strong, viable and of

sustained growth. This is a budget with fundamental difference and departure as it has a perspective for growth during the whole Seventh Plan period, besides annual financial adjustments.

However, despite hopeful estimates, the economic targets may lag behind due to the lack of orientation among implementing officials and proper evaluation of goals and targets being achieved. For instance, a major share of the incomes of the business class and agricultural land owners is not taxed due to the absence of proper mechanism to assess their incomes and collect the taxes. Therefore, I feel that the present system of tax collection requires changes whereby tax evasion and suppression could be curbed effectively and promptly. Officials should be specially trained, re-oriented and motivated for the job. The well-performing officials should be rewarded promptly, and the corrupt and incompetent should be punished.

14.00 hrs.

There is no need for increasing the taxes or hiking the rates. A proper collection of present taxes could raise the revenue much. The orientation of the new Budget in this direction is commendable.

From our experience in Kerala, I would say that during my tenure as a humble Finance Minister, I could mobilize three times the revenue from sales tax and agriculture tax, by streamlining the law and plugging the loopholes. In 1973-74, our target was Rs. 40 crores from sales tax, but after a thorough study and without making the rate higher, we mobilized Rs. 120 crores the same year. So, this is the proper time. The need of the hour is that we should plug all loopholes, and the old laws should be re-structured. Dedicated officials could come to the forefront and help the country move forward.

The Finance Minister has stressed the need for industrial growth and social security schemes. The States which have already made big achievements in social security schemes are not able to make rapid progress in the industrial field. For instance, our own small but beautiful State of Kerala which has been hailed even

by the World Bank as a model for social development, is not in a position to invest more in productive activities. It is in the grip of a chronic deficit. This is largely because the State has been unable to go in for industrial development, with its huge bills in respect of social services. In our State, in each of the panchayats we are having a high school. Secondary education is free not only for girls, but also for boys. There is a dispensary in each panchayat.

Regarding communications, we are having roads everywhere, and *Pucca* bridges have been constructed. The public distribution system is *Pucca* in our State, compared to other States. Because we are much ahead of other States, we are penalized. Unless there is a drastic change in the terms of reference of the Finance Commission, as also of the Planning Commission, our country is not going to achieve the target in respect of industrial investment.

In view of all these, I plead that Government should consider these two aspects, especially in respect of the terms of reference of the Finance Commission. There is no change effected in them during the last so many years. So, this has to be taken into consideration. States should not be penalized.

I am not taking too much time of the House. I am not pleading, for the time being, for my constituency. I congratulate the Finance Minister, and I fully support the Budget.

[Translation]

SHRI KALI PRASAD PANDEY (Gopalganj): Mr. Chairman, Sir, I support the Budget for the year 1985-86 presented by the hon. Finance Minister. I support the Budget because a definite attempt has been made in it to uplift the poor. There is paucity of time, but I would like to say that Shri Vishwanath Pratap Singh has had a very good reputation as Chief Minister of U.P. I belong to Bihar but still I would say that U.P. has a history of its own. Whosoever is in trouble goes to Varanasi to worship 'Vishwanath'. Here, I would like to submit a few points considering him to be Vishwanath. Whereas he has abolished T.V. licence, he has increased taxes on

gas, salt, kerosene oil etc. which are items of daily use particularly by the poor. In our country 55 per cent of the people live in villages and these are the people who cannot raise their voice in respect of their demands and are too poor to intimate their difficulties to you. Therefore, I request that certain concessions should be announced on those items of daily use, at least on bidi, salt, gas and kerosene oil. Our Prime Minister, during his visit to Bihar, had declared that decline in production capacity usually resulted a burden on the finances. You should see how production capacity can be increased. If you look at Bihar, you will find that Rohtas Industries, Hathua Sugar Industries and many factories in Champaran have been lying closed. In this Budget no provision has been made in respect of the closed mills of Bihar which ought to have been made. Since you are an experienced person, my submission is that you should make some provision in respect of the closed mills of Bihar. Along with it, you should also allot some funds for constructing school buildings for those schools wherein children are studying in the open.

In conclusion, I would submit three things—first, you should make arrangements to open all the closed mills in Bihar; secondly, you should withdraw the enhanced imposts on items of daily use like gas, salt, kerosene oil etc., and thirdly you should set up some industries in Gopalganj, which connects Nepal and Western Champaran. With these words I support this Budget.

[English]

SHRI A. K. PANJA (Calcutta North East) : Mr. Chairman, I rise to support the budget which has been presented to the Finance Minister. Since the presentation of the budget, you must have noticed that this is the first time a thought-provoking budget has been presented in this House. Discussion is not only going on in this House in the Lobby or in the Central Hall but all over India, Eminent and well-known economists and experts have started deliberating on this budget.

14.08 hrs.

[Shri Somnath Rathin the Chair]

I am sure that such deliberation will be

fruitful. By now, we have seen in the newspapers and also in various other books support and attack against this budget from various angles. I am sure, the hon. Finance Minister, is not only taking notes of the speeches of the members but also making a complete analysis of the various aspects which have been highlighted, which have been explored by various people, by various economists and so on. Why has such a debate started? In my view, because of new approach. Whenever a new approach is made, there would be various debates on that. If you look at it, you will find that the emphasis has been on economic management. Some names of our great leaders have been taken in vain by the opposition alleging that the Finance Minister has given a go-by to the path of socialism which was established by Gandhiji, Nehruji and Indiraji. It is not correct. If we analysis the entire budget and look at it we will find that the Finance Minister has looked after the interest of the 700 million people. If we examine carefully we find that the whole budget, has been divided into various groups like the very poor, the poor, the low income group, middle income group and the richer section.

We have to look after the entire 700 million and in doing so the attempt has been quite balanced. If we look at our own household, I would say that our Finance Minister has behaved like a good mother. In the whole household there are various types of family members, of various income groups, having various types of propensities of earning, some doing business, some are without any education, some with better education, but little earning and so on. In my opinion this budget, shall infuse savings, encourage investment and increase the output.

The Opposition attacked the Budget by saying that those who have got more, they have been allowed to keep their extra money in their pockets. From savings aspect in my opinion this Budget has given a new light so far as the Indian economy is concerned. It is also bound to generate employment in the long run. Who is going to give employment? Are we going to employ all those unfortunate unemployed people only in Government undertakings or only in Government offices, whether in

the State or in the Centre? They have to be employed in agricultural field or in the private sector. Therefore, private sector has been encouraged so that there may be a little bit of saving and with that they will be bound to expand and generate employment.

One thing; through you, I want to bring to the notice of the hon. Finance Minister for taking a special look at what is happening in West Bengal. As soon as the budget was presented by the Finance Minister on the floor of this House, the Government there, the entire Government machinery there, in inciting the people, against the Central Government encouraging the black-marketeers and hoarders and giving them complete protection for the purpose of taking the goods out of the market for creating artificial shortage and unnecessarily escalating the prices. Even the increase due to the Budget is small goods are allowed to be taken out of the market for hoarding and be sold at higher rates. Taxi-strike has been forced there, mini-bus strike has been forced and the petrol pumps have been closed. The State Government is not taking any action. In my opinion they are allowing the black marketeers in such a manner as to blame the Central Government. I want a special team to be sent to West Bengal to find out the actual effect of the budget. Therefore, a special experts' team should go there.

**SHRI INDRAJIT GUPTA :** Yes, yes.

**SHRI A. K. PANJA :** Mr. Indrajit Gupta while looking at this Budget, he analysed about 10 items and said that 'It has been minimised, it has been minimised' .... In our student days we used to invite Shri Indrajit Gupta for a reasoned argument. Shri Indrajit Gupta in his speech here has wrongly analysed and after mentioning saying "shortfall" of one, two, three, four items, did not mention anything about social security measures, or other beneficial measures. Mr. Indrajit Gupta is representing a party which claims to be a very good loud-speaker of the worker, did not even mention about the workers' security granted if there is a closure. Not only the workers who are retrenched but also the

pensioners should get the benefit, in my opinion.

Mr. Gupta also forgot about crop insurance. He did not say a single word in favour of it. This is the first time that it has been brought in. Like that 10 very good things have been provided for in the budget.

Many opposition Members are talking about inflation and saying that there will be a great danger. The financial net deficit is expected to be Rs. 3349 crores. Why do I say so? Because our total deficit is Rs. 3660 crores and if we reduce it by Rs. 311 crores which the Government is going to get by way of additional levies, the net deficit comes to Rs. 3349 crores. Last year, when the deficit was Rs. 3985 crores, the inflation was only 5 per cent. This year, because of the steps taken, in the long run, it is going to be a good Budget. It is no use decorating someone with ornaments as very rightly stated by the young Finance Minister, but to see that the entire 700 million people of various categories of income are taken together and given good food and shelter.

With these words, I support the Budget.

**SHRI B. K. GADHVI (Banaskantha) :** Since there is not much time left, I shall bring to the notice of the Government two or three points.

One is that whenever we look at the economic review—not only of this year but of any year and whenever there is a reason given by the Finance Minister that the unbridged gap would not lead to inflation, then it is sought to be impressed that this would be possible when our agriculture would be in a good shape. This Budget has been received well by some sections. But with regard to agriculture, I would say that it has really put a heavy burden on the farmers because of the price like in petroleum products. Farmers are now using modern techniques. They are running tractors, diesel pumpsets, etc. So far as electricity is concerned, it is the cheapest mode of energy to the farmers besides canal irrigation. Now, it is high time that we look to the farmers' interest from the point of view of providing electricity to the agricultural sector on a

determined percentage. Uptil now out of the total generated electrical energy in the country for which thousands of crores of rupees have been invested, the consumption by the industrial sector is 58 per cent and share of the agricultural sector is just 17 per cent. We have to appreciate the fact that despite these difficulties the farmers of this country have been able to rescue the country from economic difficulties. Therefore, we boast today that our economy is sound because the farming community has come to the rescue of it. Therefore, I say that there must be a policy that out of the total electricity generated in the country, a minimum of 35 per cent should be earmarked for the agricultural sector exclusively. Otherwise, because of the input cost going high and the farming cost going to, the farmers' difficulties would go on increasing. We hear everyday that they are not getting remunerative prices, particularly the cash crop prices. Our balance of trade is adverse. It is stated that our foreign exchange reserves are comfortable. It is comfortable not only because of our trade but because of foreign remittances.

The persons who are employed outside the country, are sending the remittances, therefore, our foreign exchange position is better, but so far as trade is concerned, it is adverse. Therefore, I would request the Government that avenues are required to be found out for exporting at least the cash crops of the farmers, just for example castor. Last year it was fetching Rs. 100 for 20 Kgs., this year it is fetching only Rs. 60 to Rs. 65. *Isabgol* was fetching Rs. 150 for 20 Kgs. last year, this year it is not more than Rs. 100. Similarly, *jira* also was fetching Rs. 250 for 20 Kgs. last year, this time the price is much below. So, when the cash crop prices are going down....(*Interruptions*).

MR. CHAIRMAN : Now please wind up.

SHRI P. K. GADHVI : I know Sir, that the time is very limited and I am not in a position to do justice to the subject. But my only emphasis is that the Budget is industrially growth-oriented and a very good budget. I think he is the only Finance Minister who has, for the first

time, been highly congratulated by the persons belonging to the Forum of Free Enterprise. But I am not going into that aspect.

So far as the man in the street is concerned, the Finance Ministry said the other day that the prices are not going to rise, yesterday there was a notification that the prices would rise in a particular way, and today we hear that even in the Super Bazars the prices are going up. So, whether the hoarders or the blackmarketeers are manipulating or the prices are going up for any other reason, there must be some strict vigilance by the Government otherwise all the gains of the Budget would not come to the help of the common man and, therefore, I hope that the Government would take into consideration these two submissions which I have made.

SHRI ANADI CHARAN DAS (Jaipur) : Mr. Chairman, Sir, while supporting the Budget of the Central Government for the year 1985-86, I would like to suggest some points which may be beneficial to the Finance Minister while formulating policies/programmes of the Government. First of all, I must congratulate the Finance Minister for introducing a social security scheme to cover the risk of death by accident in respect of earning members of poor families. I also congratulate the dynamic and young Prime Minister for introducing crop insurance scheme in the country this year. These will help the poor families in their time of utter financial hardships and our farmers will also be benefited because of these new schemes.

The foundation of the country very much depends upon the sound financial policy followed by the Government. Now the value of rupee has reached its lowest ebb *i.e.*, if we compare the present value of rupee with its value in 1947, it is only 13 paise now. When we think of giving any benefit to our people, it is counted in terms of money. Why so much inflation is there at present? To my mind, the money which is earmarked for a particular programme or scheme, is not being properly utilised for that scheme. The result is that production is hampered. In our country, we are operating numerous

schemes and programmes for the upliftment of poor people, such as, I. R. D. P., E. R. R. P., N. R. E. P., Draught-prone Area Programme, R. L. E. G. P., Scheduled Caste Component Plan, Tribal Sub-Plan, etc. What I have studied is that all these schemes are not being implemented in their letter and spirit. The subsidy portion of the loan amount given by Government to poor beneficiaries, actually goes to bank people, bureaucrats and middlemen. Besides, the loan amount given to beneficiaries under these schemes is also not being utilised properly by the beneficiaries and is being spent on marriages, birth or death ceremonies, house construction, etc. without any return.

In fact, this amount of loan is being utilized as consumption loan. As such, I suggest that provision should be made to give consumption loans to the individuals by the banks, because now almost all the private money-landing business has been abolished. The subsidy portion of the loan should not be given and in its place interest free loan should be given for some years, so that the beneficiary may repay the hundred per cent loan amount. In fact, the interest should be borne by the Government. This will check the pilferage of the loan amount and invation will also be kept in check. All the public sector undertakings should be asked to curtail their expenditure by at least ten per cent. At present, these public sector undertakings are maintaining their own guest houses, fleet of hired cars, guest houses on rent and they are spending lakhs of rupees on their maintenance. The Deputation Allowance admissible to a Government employee when he is asked to go to some other department should be abolished altogether. This will result in saving of crores of rupees annually.

To check inflation, the salary of Government employees should be fixed in such a way that no employee gets less than Rs. 1,000 and not more than Rs. 3,000 per mensem. The service period of 30-33 years of Government employees should be curtailed to only 20 years and after retirement the employees should be given advance pension for ten years. This will help them to invest their earnings and pension amount in future business or investment.

The Government should also encourage such entrepreneurs to enter new business and no fresh graduate etc. should be encouraged or helped by Government or financial institutions to enter business. This policy will create great avenues of employment for more people and more new families also have a change to enter Government service. The fresh graduates, who are helped by Government financially, have no capital of their own, nor experience, and much of the loan amount is spent on pleasing or entertaining officers, while setting up new projects or industries. The result is that they also develop bad habits of drinking etc. This will also check inflation.

In conclusion, I thank our dynamic young Prime Minister and the Minister of Finance for the steps taken to unearth black money and I hope more vigorous steps would be taken to unearth black money.

MR. CHAIRMAN : Shrimati Phulrenu Guha. Shrimati Phulrenu Guha (Contai) Sir, I rise to support the budget.

[*Translation*]

SHRI BALRAM SINGH YADAV (Mainpuri) : Mr. Chairman, Sir, I rise a point of order. I want to know the rules and regulations under which the Members are called upon to speak in the House (*Interruptions*). On Saturday, I was told that I would be called upon to speak at two or three clock but till now I have not been given a chance to speak.

[*English*]

MR. CHAIRMAN : Kindly hear me. Your name is there. You will be called in due course.

SHRIMATI PHULRENU GUHA : Sir, I congratulate the Finance Minister for his very bold budget. There are certain issues which fall within the scope of the budget discussion, which I would like to deal with. I welcome the change of nomenclature of the Ministry as Social and Women's Welfare. In this connection, I would like to remind the House that though in the Sixth Plan quite a good amount of money was allotted for the development of women, as far as we know,

there is no report and so nothing could be known as to how that money was spent and how many women were benefited by it. So, I would request the Government to have a cell in the Planning Commission to monitor the progress in regard to the allotment of money.

But I regret to say that in the border areas racketeering in women is very much rampant and is on the increase. We all know that the Government is aware of this menace and is trying to take possible measures to stop this. But, I would request the vigorous effective and early steps should be taken to stop this menace, especially the menace of racketeering in women. The crime against women are on the increase in the country. The procedure of getting justice should be simplified and culprits should be given deterrent punishment. If required, the existing laws should be revised.

I welcome the social security scheme. I know the opposition will say that is too meagre a measure. But they should note that if something is started, it can be expanded also. So I welcome this scheme whole-heartedly. In this connection, I would request the Government of India and the Government of West Bengal to include Midnapur as one among those first districts in the scheme. Perhaps you will remember that Tamluk subdivision of Midnapur was the place where first provincial Government was established in 1942. So, I would request that Midnapur should be included in this scheme. For the development of the area I would request that from Tamluk and Digha railways should be started. Digha is one of the sea-coasts in West Bengal. It should be developed to become not only an Indian sea-coast, but an international sea-coast also.

Since kerosene is used by all, even by the poorest of the poor, I would request the Finance Minister to consider not to consider not to increase its price at all. Similarly I would request him not to increase the price of diesel also.

Lastly, I would like to point out that the Estate Duty should not be abolished altogether. I feel very strongly that Estate

Duty should be imposed on the people who come within a certain bracket of income-taxation in our country.

There are so many other points on which I wanted to speak, but because of the paucity of time I will restrain myself to only this much by saying that I support the Budget whole-heartedly.

PROF. MADHU DANDAVATE: If there is taxation on the length of the speech, you will have to pay no tax.

[*Translation*]

SHRI BALRAM SINGH YADAV: Mr. Chairman, Sir, I thank you for giving me an opportunity to speak on the Budget for 1985-86 presented by the hon. Finance Minister.

Sir, I think by and large this Budget has been welcome by every section of the society in the country. I thank the hon. Finance Minister for presenting such a Budget. The hon. Finance Minister has provided many concessions which are being hailed everywhere. Today, there is to strengthen the economy of the country. It appears from this Budget that in future the economy of our country will definitely be strengthened under the leadership of Hon. Prime Minister, Shri Rajiv Gandhi.

Since independence, our country has made much progress in the matter of industrialisation and today also if we are to eradicate poverty and unemployment, we shall have to encourage the setting up of industries. We want to thank the hon. Finance Minister for giving many concessions to the industries and we hope that with his policies, we shall be able to compete with the other countries of the world which are marching towards rapid industrialisation.

Sir, we have observed that if we do not supply power adequately to the industries set up by us at different places, our dream of industrialisation cannot be realised. Therefore, I request the hon. Finance Minister to talk to the State Governments and find out how difficulties regarding supply of power can be removed promptly so that the industrialisation of the country takes place swiftly.



India is predominantly an agricultural country. We should, therefore, look into the problems relating to agriculture. Our Finance Minister had been the Chief Minister of U.P. and the decisions he had taken in that capacity would always be remembered in the history of U.P. Today, our Government deserve congratulations as they have fixed the support price of wheat at Rs. 157 per quintal. But, on the other hand, we should ensure that the Crop Insurance Scheme announced at the time of the presentation of the Budget does not remain on paper only, because in many states crop insurance schemes are already there but they are not being implemented properly. Government should give wide and effective publicity to the Crop Insurance Scheme among the masses so that the people may come to know about the details of crop insurance and how the farmers would be benefited by this scheme.

Oilseeds and pulses are consumed mainly by the poor, but the prices of these commodities are skyrocketing. Therefore, Government should engage all the agriculture universities and agricultural scientists to produce such type of seeds of these commodities as may increase the production per hectare so that the prices come down and these commodities become available to the poor at cheaper rates.

NREP and LREGP are revolutionary schemes in our country for which we are thankful to the late Prime Minister Smt. Indira Gandhi. Taking personal interest, she implemented these schemes in the country. But at the moment I would like to draw the attention of the hon. Finance Minister towards this aspect that though LREGP scheme is a very good scheme and the common man has welcomed it yet if the Government do not provide money for the maintenance of the projects executed under this scheme, crores of rupees being spent on it will go waste. The Government should make provision for their maintenance also. The financial position of the State Government is bad and they are unable to provide adequate funds for maintenance. Whatever roads or other projects you may construct, they will become useless within two to three

years if funds are not provided for their maintenance.

Mr. Chairman, Sir, I represent an area which is a dacoit-infested. One-third of the total land there is barren. Hon. Shri Vishwanath Pratap Singh is well acquainted with the area. It is an area where one cannot have peaceful sleep. Murders, dacoities are the order of the day there. I would request the Government of India to formulate a separate scheme for such districts so that there is integrated development of these districts resulting in eradication of poverty and unemployment. Setting up of big industries there should form part of the integrated development.

In the end, I support a very good and progressive Budget presented by the hon. Finance Minister.

**\*SHRI SRIHARI RAO (Rajamundry) :** Mr. Chairman, Sir, this is a good budget. It is a nice budget and it is an unprecedented budget. But, for whom? Not only some people. Not to all people of this country. It is good, it is nice and an unprecedented budget for only those who earn money by exploiting the poor. How about others who struggle hard to find both ends meet. This is not good for all and certainly not for those who are below the poverty line and who constitute more than 55% of our total population. Sir, the basic needs of any man are food, shelter and cloth. It must be the endeavour of any Finance Minister to see that these basic requirements of the man are provided to the poorest of the poor. One needs some food for his survival, some roof to get some protection and a piece of cloth to cover his body. It seems that the hon. Finance Minister has forgotten this basic and simple fact. The Finance Minister has provided no relief at all to these unfortunate brethren of ours. These poor people, Sir, have voted Congress party to power expecting many things from that party. The gift that they received from the hon. Finance Minister for returning the party to power is that he rejected them in to. Never before the poor have been neglected so badly. But I want to tell the hon. Finance

Minister that the poor can also afford to forget the Congress party if the party forgets the poor. Forget they will, but only after teaching the party a good lesson. So please don't underestimate the poor.

Sir, since the time at my disposal is very short, I will make a few suggestions. If implemented these suggestions can turn the budget into one which is acceptable to one and all.

Sir, the hike in diesel oil is unpardonable. If you increase one paisa here, by the time it reaches the common man it will become an increase of ten rupees. Everyone in the society will be hit by this hike. Hence the proposed hike on diesel, which is considerable should be withdrawn.

The prices of kerosene and cooking gas have also been increased. What a wonderful gift, presented to the women, for voting Congress party to power. The cooking gas costs 5 rupees more now per cylinder. The hon. Finance Minister should not harass a common housewife and hence withdraw the hike.

Sir, the value of the rupees has been eroding very fast. Now its value is 6 times less than what it was some time ago. For Gift tax, the exemption limit of Rs. 5000 is very inadequate. If a grand father wants to gift something valuable to his grandson, how he do it with the small amount of Rs. 5000. Unfortunately it has not been taken note of all these years. Hence I suggest that the exemption limit to be raised at least to Rs. 30,000.

I also suggest that the exemption for income tax be raised to Rs. 25,000.

The industries which are involved in production are facing one serious problem now. As it is there are not many who are prepared to invest their money in industries. Their investment means increased production and employment for many jobless persons. But before investment the new entrepreneurs are being harassed by the officials to disclose the source of their capital and income. No amount of explanation seems to satisfy them. So there is

every need to relax these rules. I request the hon. Finance Minister to relax these rules immediately. This is very much necessary. If concerned rules are relaxed, many more persons will come forward and invest their money in industries. It will boost our production. Nation becomes rich. It will also solve the unemployment problem to a considerable extent. The wheels of progress will move on and prosperity will dawn on the horizon of our country.

Sir, the suggestions that I have made are quite reasonable. I hope the hon. Finance Minister will not hesitate to accept the suggestions I made and will make necessary changes in the budget. If these suggestions are incorporated in this budget, it will really become a good, nice and unprecedented budget and will be acceptable to all. Thank you very much for giving me this opportunity.

SHRI RAMDEO RAI (Samastipur):  
Mr. Chairman, Sir, I welcome the Budget presented by the Finance Minister for the year 1985-86 and would like to submit a few points in this regard.

The Central Budget presents the picture of our country before the people who expect the Government to ameliorate their lot by removing the difficulties being faced by them. The hon. Finance Minister has tried to meet their expectations. The hon. Finance Minister has taken a fresh initiative in the field of agriculture, education, industries and power. This Budget has not only increased the possibility of fulfilling our hopes but has also boosted our morale. Consequently we shall be able to achieve success in other fields also.

I would like to say one thing more. In the agricultural sector, shortage of power is the main problem. Power supply in all the States of the country is disproportionate to the demand. I would like to say about Bihar particularly. Power generation there is not in keeping with the available capacity, as a result of which we cannot meet our requirements. You should pay attention towards it because Bihar does not lag behind any other State in so far as doing service into the country is concerned. If the Finance Minister does

not pay attention to its difficulties, it will naturally create resentment among the people of Bihar and will dampen their morale. The people of Bihar are ever ready to work hand in hand with full determination.

Bihar is industrially backward. I do not want to increase your difficulty by presenting a detailed picture of our industrial backwardness before you, but I consider it my duty to draw your attention to the problems being faced by the common people of Bihar.

Thakur Paper Mills in Samastipur has been lying closed for years together. You are aware that Samastipur is situated in the northern part of Bihar to which Satya Narain Babu and Lalit Babu belonged. In their absence, the development of Samastipur has come to a standstill whether it be in the matter of railways or industries. The people of Bihar, particularly Samastipur will always be ready to make their humble contribution in the bold steps proposed to be taken by our Prime Minister for taking the country forward.

I would like to say something about irrigation facilities in our State. The Minister of Irrigation is not here at the moment. I would like to point out to the Finance Minister that many tube-wells with larger diameter have been dug by the Centre for layer-testing. They are lying idle because attention was not paid in the first instance to the correct diameter required. If these tube-wells could be handed over to the State Government, the major problem of irrigation in Bihar can be solved, otherwise these tube-wells will be lying unused.

Our river water goes waste. If we utilise the river water, we shall be doubly benefited. An ordinary tube-well costs Rs. 2 lakhs. With this very amount, people can get double benefit if irrigation are implemented by harnessing these rivers. We can have better crop with the use of river water as compared to tube-well water. There are five main rivers and some tributaries in Bihar, namely the Ganga, the Gandak, the Kosi, the Vaya, the Balan the Bainti, etc. Their waters should be utilised for irrigation purposes. The tube-wells lying out of order in Bihar should

be repaired immediately. The Central Government should provide financial assistance to the State Government for this purpose.

Now, I would like to draw your attention towards educational policy. The children of Central Government employees get good education in Central schools. Along with this, the Government should pay attention towards the education of children of the people living in villages. We are going to formulate an educational policy under which children of both the poor and the rich will have uniform education. I would request speedy implementation of the same. You must ensure that all children get uniform education in the schools in accordance with this policy because you are determined to eradicate poverty from the country.

I congratulate the hon. Prime Minister who has been managing the affairs of the country with great patience and courage. Along with him we are also determined to put our shoulders on to the wheel as the steps taken by him and the sentiments expressed by him have inspired confidence in us. Today we can say :

*Yug Yug ka tam dur hua,  
Navprabhat vihansne wala hai  
Sadiyon ke pichhrehpan ka  
Kala itihās badalne wala hai.*

With these words I congratulate the Finance Minister on presenting the Budget which will radiate the homes and hearths, towns and villages and farms and barns. We are all ready to work hand-in-hand with you.

[English]

SHRI G. S. GHOLAP (Thane) : I am delivering my first speech in the House today. The subject of my first speech happened to be the budget of the year. I thank the hon. Members who are hearing my speech.

I support the Budget.

Everybody has appreciation for the Budget because concessions are given to many and progressive steps have been taken for the development of the nation.

The Central Government has appointed a Pay Commission with a view to increase

the salaries of the Central Government employees. This has created a problem in the States. The State Government employees also are now agitating and are now going on strikes demanding more salaries. Is the Central Government going to give some financial help to the State Governments so that the State Government's also can increase the salaries of their employees. Is there any such relationship between the Centre and the States ?

As regards bonus, we are under the impression that bonus is given to the producers, those who produce more. It should be given to the workers in the factory. Now, the Central Government is also giving bonus to the Government servants. What the State Governments are to do in this regard towards their employees ? The State Governments employees also going on strike demanding bonus. There is going to be a dispute between the State Governments and their employees regarding bonus.

I would, therefore, request the hon. Minister that this problem should be solved through mutual consultations between the Centre and the States so that there can be coordination between the Centre and the States.

Regarding the development of the hill areas which happen to be generally the forest areas, we have passed an Act in 1980 under which not a single inch of land can be given for any purpose whatsoever without the matter being referred to the Central Government.

It takes two or even three years for the Central Government to clear the file. How is it possible to develop a backward area or an adivasi area in such circumstances ? They want land. So, I request that the power of giving land be delegated to the State Cabinet or the State Chief Minister so that the Chief Minister can give the land on condition that they will provide the money from out of their project to develop forests on other forest land. I request that the power of the Central Government to give land for public purpose be delegated to the State Government.

Bombay is a city where 80 lakhs of people are living. Out of these, 42 lakhs

are staying in 'Jhopadpatti'. What about water supply ? What roads ? What about Railways ? All these problems have to be solved by the State Government, and it is not possible for the State Government to solve all these problems. Bombay is not a city of Maharashtra only; it is a city of the whole nation. Therefore, the Central Government should help the State Government by giving some grants or funds. Our Chief Minister has requested that an amount of Rs. 1,000 crores be provided for Bombay only. At least some amount should be provided. I request the hon. Finance Minister to look into it.

Regarding accidental death, some provision is being made. We are already following the same system in Maharashtra, in the case of accidental death, the person is entitled to get Rs. 2,000. Here an amount of Rs. 300 is being provided. It is good. It should not be 'death by accident' but it should be 'accidental death', and cases like snake-bite, lightning, electric shock, etc., where death occurs all of a sudden should be covered and an amount of Rs. 3,000 should be given. I think, that is the idea and Government will do that.

Regarding fishermen, they are required to pay sales-tax on the diesel that they use. But in the case of deep-sea fishing where the vessels used are big, they are exempted from payment of sales-tax on diesel.

Such an exemption is not given to small fishermen. This disparity should be removed, and the small fishermen also should get the exemption.

With these words, I support the Budget.

[*Translation*]

SHRI RAM RATAN RAM (Hajipur) :  
Mr. Chairman, Sir, I wholeheartedly welcome the Budget presented by the Finance Minister for the year 1985-86. While supporting the Budget, I would like to draw the attention of the hon. Finance Minister to some points. The Finance Minister has made a provision for expansion of power in the Central sector. The allocation therefor has been increased from Rs. 1,446 crores to Rs. 2,090 crores.

In so far as production of coal is concerned, Bihar produces 60 per cent of coal in the country but as to the electrification in the State, I am much pained to say that barring Kahalgaon, a small village in Bhagalpur district, no effective step has been taken in the Central Sector for electrification although the requisite facilities are available in Bihar. Electrification should, therefore, be given top-priority because it has become a part and parcel of life. Electricity has become a basic need in every field whether it is small scale industries, large scale industries or agriculture. As Bihar produces 60 per cent of coal, a thermal power station may be set up there in the Central Sector, particularly in the Chhota Nagpur area.

Under the 20-point programme the provision of Rs. 4,141 crores has been increased to Rs. 4,900 crores in the Central plan, *i.e.*, there has been an increase of 18.3 per cent. Welfare activities will be undertaken particularly in rural areas. I would like to thank the Finance Minister for this. Similarly, a social security Scheme has been introduced for the benefit of poor people killed in accidents. Such a step has been taken for the first time. I welcome this measure and congratulate him for providing Rs. 3,000 to a poor person, who works throughout his life and is not insured for some reasons and is killed in an accident. The hon. Minister also deserves congratulations for the decision taken in regard to imparting free education to girls up to higher secondary level. I would also like to congratulate the Finance Minister for introducing Crop Insurance Scheme which will benefit small farmers and marginal farmers. Most of the people in Bihar depend on agriculture. I would like to suggest that the increase made in the prices of diesel and kerosene oil may be reduced so that people can get some relief.

SHRI MOOL CHAND DAGA (Pali) :  
Mr. Chairman, Sir, the hon. Finance Minister has held consultations with the big economists and industrialists. I would like to know whether he ever held consultations with the poor people also? I know that his answer would be in the affirmative..... (Interruption) I would like to say one thing. In your budget, to day. . . . . poverty. . . .

[English]

In the words of Henry George, "poverty is the open mouthed relentless hell which yawns beneath civilised society. And it is hell enough."

[Translation]

What is the recovery of direct and indirect taxes levied by you. I would like to know quota figures pertaining to 1971:

[English]

The total amount was Rs. 4,658 crores and the amount recovered was only Rs. 537 crores.

[Translation]

In 1971-72 there was 88.47 per cent less recovery.

[English]

For the following years the figures were: 1972-73—86.24 per cent, 1974-75—88.24 per cent, 1975-76—84.75 per cent, 1976-77 86.94 per cent, 1977-78—88.68 per cent, and 1978-79-89.43 per cent.

[Translation]

This is percentage of recovery not made by you and still you impose 89.43 per cent income-tax. Statistics clearly show that you are not able to recover income-tax. You have challaned certain cases under COFEPOSA. I would like to know how much property has been seized and how many persons have been prosecuted. It is evident from the Government figures that prosecution has not been completed against any one.

[English]

Coming to administrative expenditure, it has increased thrice to fourfold. Only on overtime allowance, the expenditure, was Rs. 49 crores in 1976-77, Rs. 56.21 crores in 1977-78 and in 1978-79, was Rs. 72.09 crores.

[Translation]

Similarly, in the Budget for the year 1980-81, there was a provision of Rs. 72 crores. You know very well how much recovery of income-tax has been made by you. I am referring to administrative expenditure. (Interruption), it has increased fourfold. There is 89 per cent evasion of direct and

indirect taxes. Mr. Chirman, Sir, this is quite strange. If you allot such a limited time, how is it going to help? I want to tell you that you are not going to gain anything by raising taxes, because its burden would fall on the poor, who are already overburdened. The entire revenue which you mobilise through taxation is usurped by the middlemen and its benefit does not reach the villagers. Mr. Chairman Sir, as you are ringing the bell repeatedly, I would only submit that instead of raising the taxes, if you tone up the administration, it can benefit you considerably and crores of rupees can become available to you in the process. If you go on increasing taxes, it will not yield any result but on the contrary, it will lead to increase in black money which already exists in huge quantity in our country and is swelling by crores of rupees every year.

15.00 hrs.

STATEMENT *RE* DISAPPEARANCE  
OF MR. IGOR GUEJA AN OFFI-  
CIAL OF U. S. S. R. EMBASSY

THE MINISTER OF STATE IN THE  
MINISTRY OF EXTERNAL AFFAIRS  
(SHRI KHURSHEED ALAM KHAN) :  
Sir, I would like to inform Hon.  
Members about the latest development  
relating to the disappearance last week of  
Mr. Igor Gueja, Attache in the Informa-  
tion wing of the Embassy of the USSR in  
New Delhi.

An official of the USSR Embassy had reported to the Delhi Police authorities on the evening of Sunday, March 17, that Mr. Gezha had left his residence early that morning for the Lodhi Gardens for his customary walk, and not returned. The official expressed anxiety over this and conveyed the USSR Embassy's request for assistance of the Government of India in locating Mr. Gezha's whereabouts. The matter was also formally brought to the notice of the Minister of External Affairs, the next morning, by the USSR Embassy.

An intensive search was launched by the Police authorities to ascertain the

whereabouts of the missing Soviet diplomat. All possible measures in this regard had been taken by them over the last week, but had not yielded any results.

Meanwhile, the USSR Embassy had been conveying its anxiety that something untoward may have happened to Mr. Gezha. They also indicated on the night of March 23rd, the possibility that he might be in the premises of the US Embassy in New Delhi.

In view of the gravity of the apprehensions expressed by the Soviet Embassy and Government's own serious concern to establish the facts of the case, we then asked for an urgent clarification in this regard from the US Embassy.

In response to our query, the US Embassy conveyed of the Minister of External Affairs yesterday March 24 that "an employee of the Soviet Embassy Information Department in New Delhi had sought and been granted political asylum by the US Government at a point outside India", and further, that "he is safe and well in the USA". This information was thereafter conveyed by us the same day to the USSR Embassy.

We have made known our serious concern to the US Government about this incident and asked them to let us have full details surrounding it. Government of India are also examining all aspects of the case as to how an official of the Soviet Embassy could have left India clandestinely, in the circumstances mentioned above.

SHRI INDRAJIT GUPTA (Basirhat) :  
Mr. Chairman, I want to seek a small clarification from the hon. Minister.

MR. CHAIRMAN : It is not permissible under the rules at this stage.

SHRI INDRAJIT GUPTA : You should also follow some precedents and not strictly the rules.

MR. CHAIRMAN : The rules of the House prevail over the precedents and the rule on this point is very clear.

15.05 hrs.

GENERAL BUDGET, 1985-86—  
GENERAL DISCUSSION

AND

SUPPLEMENTARY DEMANDS  
FOR GRANTS (GENERAL),  
1984-85— Contd.

[English]

THE MINISTER OF FINANCE AND COMMERCE AND SUPPLY (SHRI VISHWANATH PRATAP SINGH) : Mr. Chairman, Sir, with my short experience in the Finance Ministry, I feel that the Finance Minister is like a punch bag and on the first sight, perhaps, there is an instinctive desire to give him a punch. Well, to be punched is my professional habit to get a pat, even from my friend, Mr. Indrajit Gupta is my exceptional luck. Well, whether it is a punch or pat, I will be grateful for both because at least so far as they are convinced that there is a substance for what I have presented to the House in the Budget.

Sir, I am grateful to all the hon. Members, those who have complimented, those who have criticised and by their wisdom I have impressed. I also want to put on record the guidance I have received and the backing from the Prime Minister, Shri Rajiv Gandhi, in formulating many of the ideas in this Budget. Sir, I had the occasion to witness the reaction of the hon. Members sitting on the opposition benches earlier also. Usually it used to be, when the budget, came, that there is nothing new in it. In this Budget, they say that there is nothing old in it. My difficulty is that my friends sitting on the Opposition benches are never in the present. I have heard with rapt attention the speeches, their logic is good, their rhetoric is even better. There is only one thing amiss, that is, their arithmetic. They have a very simple prescription, that is, 'increase the plan size, decrease your imposts, be tardy on borrowing and presto, your deficit will come down.' I know. Some of the hon. Members on the Opposite would spring up and say that 'you have forgotten a very important ingredient', as some of the hon. Members were pointing out, Mr. Daga was saying

that they have suggested methods to reduce expenses and I have forgotten it and surely they would hasten to say it in my cars, of course, after adjusting overdrafts of the States and also providing for some of the major projects in the constituencies ! This may be their arithmetic of wishes, but certainly it is not the arithmetic of the wishes that runs the Finance Ministry. It is very hard fact that we are faced with and that is what I want to share with the hon. Members of this House.

Sir, it has been said that it is a risky budget. Indeed, I have taken risks. I could not have come to the Parliament with a riskless budget. For that budget would also have been a listless budget. We were given the resource constraint, faced with four options.

First is to cut plan size and thereby risk development.

Second is to administer stiffer dose of taxation thereby leading to further tax evasion and after a point it will lead to inflation itself.

Third is to go in for heavier borrowings running the risk of unserviceable debts in the future.

Fourth is that in the background of ample foodgrain stocks and comfort table foreign exchange reserve, to go in for a manageable deficit and carry out he needs of tax reforms and also maintain the thrust of development for projecting the plan. It is the fourth option that we have taken. Certainly, anybody was at liberty to take any other alternative, but certainly that alternative would have meant cutting of the Plan or a stiffer does of taxation. Within these parameters, I do not think there can be a practical solution. Some risk has to be taken and that is what we have done. It is not so much of the deficit of the Plan, but I think, it is a little deficit in the understanding of the total situation and its complexities.

The Prime Minister had said that the economic philosophy of the Government would be embodied in the Budget. This is what we have precisely done. It is not mere juggling of figures, it is an expression of faith, and every faith has its concomi-

tant dangers and we have braced ourselves to face the dangers too.

We do recognise that Budget is a very important fiscal tool, and while it affects the economy, the economy is more basic than the Budget, and so we addressed ourselves to the economy, to its growth and giving it an impetus compatible with the national priorities we have in view.

A point has been made that there has been a departure from the past. True, we had a past and we should be proud of it. It is in very difficult conditions that our political leadership steered the country towards not only political independence, but also economic independence, and the perceptions are as valid today as they were ever. It was a response to a situation then as also after independence. We had constraints of foreign exchange. There were compulsions of development. We could not overnight develop new markets, we could not overnight increase the exports of our traditional items. Foreign resource flow was not on terms which we would have liked according to our national priorities. We did decide at that moment for import substitution and rightly did so. For that we did have a protective regime, very frankly so and it was right. And in this protective regime, import substitution became the symbol of our industrialisation and our progress. It led to a demand-led growth of industry and what we have as an industrial infrastructure is due to the foresight of our political leadership then.

As about the anxiety of having industry and basic industries in public sector, it was a correct strategy that we built the public sector and that is our concern even now. I must dispel all such doubts and I want to quote Jawaharlal Nehru on this :

“The basic strategy governing planning is to industrialise and that means the basic industries given the first place.”

There was a reason for developing basic and heavy industries, and I am sure, Shri Indrajit Gupta will agree with me, it was a correct strategy. Firstly, because it re-structures the colonial structure of the economy, where it was basically geared to supply raw material to the developed

countries and having some consumer good industries. The colonial regime was against installing of any heavy industries in the developing world or those which were under it. That is why we were suffering and it was a right direction and right push. It was also necessary that we kept multinationals out of the country. Because, had this gap been there of the heavy industry, not developed by our own strength, sooner or later, we would have succumbed to the pressure for the resources, technology and the support. We have sagacity. But today, in this process, this also has happened. This protective regime has created islands of high profits. Also, it has led to a protective market, where cost inefficiencies did not hurt the industry very much and it could afford a high cost in an inefficient regime also.

Now, it is time to take a second look as to how we can correct this position. It is not a question of a break from the past, but it is a question of response to the future, that is at stake. It is only in this light that we have to assess what we have to do. And even at the present situation, we have to take stock again and see in what direction we have to go. There is still the foreign exchange constraint. Sir, we know the developed countries are starving the developing countries of concessional flows now. Our ODA and IDA are being stopped and they are pressing us more and more towards commercial borrowings, which is high cost money. The rate of oil production which we are getting now is coming to the plateau, not being at that high rate. In the coming years, our main foreign exchange saving oil will not be able to keep the same momentum. IMF loans start falling due. In this context, we should see that from now this is what we are going to be faced with. We should tighten our belts and not go the way of some South American countries. Petroleum products are a heavy drain on our foreign exchange and it is a bulk item of imports. It is for this sake that we have decided to give a single to the country that this form of energy, which we have to shift from, which we have to conserve should not be wasted. We should not be wasteful about it. The imposts on crude oil should be seen in that light. Sometimes sacrifices have to be made,



Also, the incentives that have been given for exports, are not for this. It is in this lightly that they have been granted for leather or tea, because basically they are also employment giving industries, where large sections of people are employed. So, there they can contribute to the foreign exchange earnings, which we need so badly.

Sir, the second economic reality is that we are in a resource constraint situation, that is, rupee resource constraint. Revenues now meet non-plan expenditure. Non-plan expenditure does not mean wasteful expenditure. 70 per cent of it includes defence, interest payments, contractual obligations of the loans that we have taken and I mean loans taken within the country also, bonds, savings and small savings etc., and subsidies for fertilizers and food. This year, we will have the Finance Commission, about Rs. 1200 crores. Now revenue is just balancing our non-plan, plan by and large resting on borrowed money, we have to be very very careful about the return from every rupee that we spend. Because borrowed money is at high cost, it is going to give a return of one per cent or two per cent and the cost of the money is going to be seven or eight per cent, sooner or later, the financial system will be in a very difficult situation. So, when we say that the public sector has to contribute to the common weal, it is not relegating the public sector; in fact, we are committing ourselves to a public sector, a healthier and more useful public sector.

Much has been made about concessions to industries, and giving away to the private sector. Just now, Mr. Unnikrishnan mentioned that privatization of initiative was being done. I will read passage :

“The following are the major defects of the structure :

No clear distinction has been drawn between the functions of the Government and those of enterprises. Barriers exist between different departments or regions. The State has exercised severe controls over enterprises. No adequate importance has been given to commodity production, the law of value and regulatory role of the market. And there is absolute egalitarianism in

distribution. The enthusiasm, initiative and creativeness of enterprises and workers as staff members have, as a result, been seriously dampened, and the socialist economy is bereft of much of the vitality it should possess.”

This is not a document from our text. It is from the Third Plenary Session of the 12th Central Committee of the Communist Party of China. (*Interruptions*) I was just quoting it because of the charges being made that this Government is moving to the Right.

SHRI K. P. UNNIKRIISHNAN (Badagara) : It is. (*Interruptions*)

SHRI VISHWANATH PRATAP SINGH : You sort out your ideological differences. There will be friends here and there. (*Interruptions*)

AN HON. MEMBER : Why are you comparing with China ?

SHRI VISHWANATH PRATAP SINGH : All right; what do you call it a capitalist country ? (*Interruptions*) The statistics quoted by the Chinese Government show that the number of workers in individual business allowed as part of the new policy of encouraging individual initiative was increasing by leaps and bounds. The total, for the end of 1984, was nearly 3 million after registering an increase of 27% over 1983. The corresponding increase in the number of industrial workers was less than 3% in other sectors.

There is a basic point. We all know that every morning—whether we are Members from this side or that—many young people come to our place. Ninety per cent of them come with applications for employment. Is it not our experience that out of 200 applicants, even if we can get one boy employed, we feel happy as Members of Parliament ? What are the answers, and what should be our response ? The fact is that the bulk of the unemployed youth are coming from the agricultural sector. They are hunting for jobs. (*Interruptions*)

Let us understand the problem. In this case, it is very clear that the agricultural

sector is unable to absorb them, and that is why we visualized these things. They can also be absorbed partly in our public sector; and may be, some in Government jobs like Clerks, officers etc. But still there is a balance. Where do we place them? What opportunities do we provide? Is it not by giving an impetus to industry and to the Services sector that we can give some jobs to these people—and to the small industries? I agree; that is why a provision for small industries has been made. When the Corporate sector gets an impetus, the small scale sector is very much there. So, that has been the basic thinking; and there is no mincing of words about it. We do feel that this will give a positive response, and also help to curb unemployment.

DR. DATTA SAMANT : Your Economic Report says that it is short of Rs. 3 crores.

SHRI VISHWANATH PRATAP SINGH : I agree. Hon. members have expressed that poverty, third reality of the economy—our foreign exchange constraint or rupees resource constraint—the third economic reality on which we cannot close our eyes, is the effect of poverty; and any scheme has to be employment giving and for income distribution. It is in this context that we have to frame our various responses we have. As I know I will find out. When it comes to the private sector, how much is the private sector private with so much public money in the private sector? But to make it sick where so much of our public money is there is not socialism. We have an interest, it is our interest that where so much public money is committed, that sector also remains. It also supports as the public sector supports. This sector, outside the public sector, this private sector, which we may call, also supports the public sector. The basic commodities, products which are being produced in the public sector, be it steel, be it aluminium, be it any product, after the basic product has been made, if there is no other sector to absorb the product of the public sector, that is not healthy and growing. How can we make our public sector healthy? I think these are the complexities to which we should address ourselves and not to make it rhetoric; that will not take us anywhere. The data show

that between 1960 and 1980, the labour force in industry rose from 11 per cent to only 13 per cent while in the low income developing countries during the same period it has increased from 7 per cent to 11 per cent; and for middle income developing countries from 15 per cent to 21 per cent. In the 6th Plan, while we have made achievement in the field of agriculture, power and other things, but we have still a step less to reach our target in the industrial sector. It is time than we should give a push and reach our target, that has been the basic thing behind the proposals which we have in the budget.

Much has been said about licences being given up and all being given away to the private sector and free enterprise,

SHRI K. P UNNIKRISHNAN :  
MRTP I

SHRI VISHWANATH PRATAP SINGH : MRTP etc. are the patent words. He has not mentioned FERA. But what has now happened with the system which is working? Let us look at it. Somebody has said, entrepreneurship consists very largely of working around government regulatory mechanism. This plethora of controls—we have a discretionary control, not non-discretionary control, discretion-ary control which has various terms. Getting a licence means access to institutional finance perhaps at a conventional rate of interest—our scarce foreign exchange resources of the service of the public sector. That paper licence itself is money and many just keep it and keep new enterprise prices up. It is time not for more control but exposure to competition and that can set the people right. They have a vested interest in the control. Just like in a railway compartment those who are in the compartment, those who have got the licence and permits do not allow those who are on the platform, they bolt it. So, the large businers and various houses have it, whatever they may complain, go on complaining.

We should expose them to competition internal, and external, and in my Budget speech I said that.

SHRI SOBHANADREESWARA RAO (Vijayawada): He is saying that what was pursued by them earlier was wrong.

**SHRI VISHWANATH PRATAP SINGH:** I am in that area. While we take out the element of competition, build the structure of licensing permits, we take away that element of competition which finally works against lower prices for the common man.

**SHRI K. P. UNNIKRISHNAN :** So what you were doing all these years was wrong.

**SHRI VISHWANATH PRATAP SINGH :** It was not wrong, in that context, We have to take a look at it now.

**SHRI INDRAJIT GUPTA :** Licence-permit Raj was built by your Government.

**SHRI VISWANATH PRATAP SINGH:** It was necessary at that time. In the present context, we have to see what options we have. Had we been critical we have to think what would have been our stake. We had to resort to fiscal control at that time because that was the situation of the growth of the economy. Now, we are in a better position. We have to take a second look.

About the small scale sector, we have said that we have taken care of small scale sector. Now, this small scale sector, when it used to be Rs. 70 lakhs they were not getting the benefit of excise concession; we said, that it may be now up to Rs. 35 lakhs and it can go up to Rs. 75 lakhs and progressively more. That is how we have taken care.

Big companies can get the money. But the small companies if they wanted money, they had a difficulty. They were insisting on interest. We have now tried to give a little more interest, and with a little more capital they can complete with the big companies.

Even advertising, let us see. The big companies are spending on advertising. They can live with it because they have heavy turnover, while new entrants—whatever be the amount of expenditure—could not get money—without some concessions. That is why we took this measure.

Now, about tax structure reforms, it has been said that it is all to the white collared people, about this tax exemption limit that has been given; that it is for the better people. Mr. Datta Samant said it—I do not know whether he is here or not.

**AN HON. MEMBER :** He is here.

**SHRI VISHWANATH PRATAP SINGH :** He said that it has all gone to white-collared people and at the same time he recommended that . . .

**DR. DATTA SAMANT :** You are confused. These middle class workers are benefited. Some of my workers are benefited. I am not referring to them. I am referring to five to six millions of unorganised workers, poor workers, for whom there is nothing. Whatever you give raising it from Rs. 15,000 to Rs. 18,000 it goes to some only; but it should be increased to more than Rs. 20,000. What you have given is all right but it should be increased to Ra. 20,000 or 25,000.

**SHRI VISHWANATH PRATAP SINGH:** In the some breath he says that it should be raised to Rs. 25,000, If we go upto Rs. 18,000 it goes to white-collared people, and if we raise it to Rs. 25,000 it will become "blue-collared" ?

The general approach has been for growth, productivity, savings, and better compliance of taxes. The approach was to lower the taxes, but take away the exemptions. What was happening is, we had a high marginal tax rate, but many exemptions. So virtually we had big companies paying no tax at all. They took the benefits of all the exemptions. We have snatched away all those exemptions, in back doors and windows through which they used to run away. But at the same time, we made it a tax rate which would be reasonable and which would be complied with. What was happening ? With unreasonable tax rate we were only getting the rate, but not the taxes, and tax rate became a mere slogan.

We mean business when we say that this is to be taxed and we are going to

take it and there shall have to be no escape. It is not that we have gifted away concessions to the corporative sector. After all these calculations, if you look at the Budget, we are going to extract Rs. 251 crores from the corporate sector. We are not gifting away concessions to the corporate sector as you have been talking about.

I do not want to take the time of the House on personal taxation, because it is in the same light that we have brought it down.

About compulsory deposit scheme. Mr. Krishna Iyer said that it was an irritant. We have removed that irritant. It was our commitment also. This has been the light of our taxation proposals. You may ask: If you have made these concessions, where will you get the revenue from? I will get the revenue exactly from the concessions themselves. By having better tax compliance I will get the revenue. That is the fundamental assumption of these changes.

It has been said that this Budget is pro-rich. It is pro-rich because we are going to have special courts to deal with the tax evaders. It is pro-rich because anybody taking loan or advance of more than Rs. 10,000 without cheque and commit an offence, we are going to lock him in from six months to seven years. It is pro-rich because the right to go and disclose income and get scotfree has been snatched away. It is pro-rich because we have given notice to bad managers that if they ruin industries, they will not have any access to institutional finance. It is pro-rich because the statutory liquidity ratio which would have gone to the private sector, we have increased to 1 per cent and made it available to the public sector side. I would say that these are solid facts.

When Shri Indrajit Gupta said that this Budget was transparent, I thought, it would be transparent to this level. The Budget is transparent but I cannot make the vision transparent if it is cloudy.

One thing we have made. I would seek the comments of the hon. Members to have a long term fiscal policy co-terminous

with the Plan, because the economic reality is not segmented. And if it is not segmented, our response also cannot be segmented. The policies of trade, financial, agriculture and industry should integrate as one gignatic effort to fulfil the Plan. Today in the Plan we have to deal with economic aggregates like savings, employment, investment. And they have inter-relationship. But it is not backed by solid commitments on credit, fiscal policy, import and export controls or licensing regime. I think this is what we are aiming at and I hope, by the time the Plan document comes, we will be able to come with a long term fiscal policy co-terminous with the Plan. In this I will be initiating a wide debate after this Budget session in which I would request hon. Members also to contribute so that we are able to formulate for the national good a direction and policy that will be usefull.

Talking about some of the problems, I do not have to go into details about resource position. A point was made by Shri Madhav Reddy Ji when he started the debate that the States are being squeezed of resources. It is the first time in five years that an increase of 34 per cent Central assistance has been given to the States. Last year it was 13 per cent and during Janata regime it was only 22 per cent as an average. In 1979-80 it was very much less. I do not remember the figure. The borrowings have been doubled from ten per cent to 20 per cent, and while this has been done, we are being charged that we are squeezing the States of the funds. I did not want to trade poverty for publicity though I could have. Instead of giving a 40 per cent rise in Central assistance, since last year it was 13 per cent, this year I could have given 15 per cent rise and said I have increased the rate and, thus, I could have a 20 per cent rise in the Central Budget which, today, I am being criticised, is only 7 per cent. I could have done that but our interest in the States is not only newspaper deep, it is deeper, and today we are guilty because we have given trust to the States. We wanted to push agriculture, irrigation, education, our poverty programmes, and today I am in the docks because I have trusted that the States can do it, and allocated more funds to the

States. Are the states anti-poor? When Mr. Panja mentioned West Bengal, there was some comment from that side. In the first four years of the Sixth Plan, the State Government's plan expenditure was Rs. 1,796 crores—a little more than 51 per cent of the total outlay, and out of these Rs. 1,796 crores spent by the West Bengal Government, Rs. 1,700 crores came from Centrally administered resources or through overdrawals from the RBI. The State Government's budgetary and public sector contribution to this expenditure in four years was an insignificant amount of Rs. 96 crores only. And we are charged, "Why is your deficit growing? Why you have unmanageable deficit? Why you are running to inflation?" Now, what is this situation, can any one underrate this? (*Interruptions*)

SHRI INDRAJIT GUPTA : What have you taken out of West Bengal? [*Interruptions*]

SHRI VISHWANATH PRATAP SINGH: I can soften my words, I can soften my tone, but I cannot soften the facts which are there (*Interruptions*).

MR. CHAIRMAN : Let the Finance Minister finish first. . . [*Interruptions*].

SHRI INDRAJIT GUPTA : Mr. Chairman, my only request to you is that this debate should not degenerate into a tirado against West Bengal . . . (*Interruptions*)

SHRI VISHWANATH PRATAPSINGH: I will say no more about West Bengal... (*Interruptions*).

MR. CHAIRMAN : Order, order. Please resume your seats.

(*Interruptions*)

SHRI VISHWANATH PRATAPSINGH: Sir, our budget is said to be in favour of the better off, for the rich, because the duty on motor car has not been reduced from 11 per cent . . . (*Interruptions*) and West Bengal Government has reduced sales tax from 11 per cent to 8 per cent. Now this revolution is in tune with the revolution . . . (*Interruptions*). Before we utter something, we should see . . . (*Interruptions*) should be removed,

This budget has been said to be anti-poor. It has been said to be anti-poor, because we have raised the allocation for the 20-Point Programme by 18.3 per cent, it has been found to be anti-poor because we have brought a social security scheme to stand by a bereaved family, which has nothing to look forward to; it is called anti-poor because we have brought in crop insurance for the farmer, who had no such relief earlier; it is anti-poor because we have raised the bonus calculation from Rs. 750 to Rs. 1600 for the workers; it is anti-poor because we have given the workers' dues the position equal to secured debts; it is anti-poor because we have increased the retrenchment allowance from Rs. 25,000 to Rs. 50,000, which we have exempted... (*Interruptions*) it is anti-poor because we have committed ourselves to increase the workers' participation in management, it is anti-poor because we have ... (*Interruptions*)

The only point that has been made is the reduction in allocation for IRDP and NREP schemes. Hon. Members from this side have also mentioned it. As I have said on the floor of the House, we will make a response to it. Many States have been pleading that they could not finalise their plan. In many of the schemes, 50 per cent of the contribution has to come from the States. This could not be discussed. I said on the floor of the House that the anti-poor programme will not suffer from this reduction at all. That is the commitment of the Government.

Shri Reddy mentioned about the reduction in the hill area programme. We have made a provision of Rs. 170 crores, which is higher than that of previous year. For the Scheduled Castes component plan, the Central Plan allocation, which was Rs. 140 crores in the 1984-85 budget estimates, has been increased to Rs. 165 crores. For the tribal areas programme the allocation has been increased from Rs. 126 crores to Rs. 140 crores. Shri Indrajit Gupta mentioned that the power goes to the private sector. I do not know if he has forgotten Lenin's maxim about power.

SHRI INDRAJIT GUPTA : That is different power, not electric power.

SHRI VISHWANATH PRATAPSINGH: Much has been said about inflation and

its impact. When the second oil hike came with the increase in the prices of petroleum products, the Janata Party was here and many of the members of the opposition were in the Government. At that time, they did not make any adjustment of the oil prices. Finally, they were caught in inflation. They did not raise the price of oil and they just kept quiet. Finally, they were caught with an inflation rate of 22 per cent.

SHRI S. JAIPAL REDDY : When? Which year?

SHRI VISHWANATH PRATAP SINGH : In 1979-80.

SHRI S. JAIPAL REDDY : Janata Party was not there then. It was thrown out because of your conspiracy.

SHRI VISHWANATH PRATAP SINGH : Who was there if Janata Party was not there.

SHRI S. JAIPAL REDDY : When you refer to June 1979, why don't you talk of 1977, 1978 and 1979?

SHRI VISHWANATH PRATAP SINGH : It was thrown out because so many defections took place.

*(Interruptions)*

SHRI VISHWANATH PRATAPSINGH: Apart from poor performance in power and railway, there was a fall in the national income by 4.8 per cent, there was a fall in industrial production by 1.4 per cent and the whole fiscal system was collapsing at that time. We were compelled to increase petroleum prices by 50 per cent when we came to power. We did it boldly and the inflation rate did not go up. Inflation rate was reduced to 16.7 per cent from where you had at more than 22 per cent. It was further brought down to 2.4 per cent. We took a bold step and adjusted the economy to realities and we got the better of it.

*(Interruptions)*

MR. CHAIRMAN : You had your say. Please hear the reply of the Hon. Minister.

SHRI B. K. GADHVI (Banaskantha):

The then Finance Minister, Shri H. M. Patel is here. You can ask and verify from him.

SHRI INDRAJIT GUPTA : Do you consider the new prices which have been announced by the public sector oil company to be fair in relation to the duties which you have increased? One is getting you Rs. 600 crores and the new prices are getting you Rs. 900 crores.

SHRI VISHWANATH PRATAPSINGH: What about the dollar exchange rate which has taken Rs. 1,000 crores? You have put a question about the effect of the rise in dollar exchange rate on the IMF loans, but on this question you are not applying it. Rs. 1,000 crores is because of the rise in the dollar exchange rate and that has been neutralised.

PROF. N. G. RANGA : Mr. Poojary had referred to it the other day.

SHRI VISHWANATH PRATAP SINGH: Now I come to a very mundane thing—soap. I would like to explain this point because there is some misunderstanding an soap. Toilet soap valued less than Rs. 7800 per metric tonne this being charged at five per cent *ad valorem*. We have raised the limit. Now five per cent will be levied right upto Rs. 10,000 per metric tonne. So the lower rate has been increased. But on the costlier household soap—and if all Members of the Opposition use costlier household soap—I have a right to get something. That has been increased to 15 per cent. It is true. I may inform the House that 80 per cent of the production of household or laundry soap would qualify for the concessional rate of 5 per cent. So, the poor man and the washerman are not going to be hit.

There was little misconception about TV. The point was made that impost on TV has been left out while it has been imposed on Bidi. Here we are recovering from the initial purchaser and the manufacturer himself, but the only thing that we have is that we have relaxed the problem of running about for its licences. It is not that TV has been left scot free and we have imposed on Bidi.

SHRI S. JAIPAL REDDY : About Bidi there should be concession.

**SHRI VISHWANATH PRATAPSINGH:** How much? You see, smoking is injurious to health. I do not know whether the Hon. Member is interested in Bidi or in cigarette.

**SHRI S. JAIPAL REDDY :** I am interested in neither. What I am interested in is poor people.

**SHRI VISHWANATH PRATAPSINGH:** All right. There has been the large consensus among Members from this side also. Everyone has been demanding that this impost should not be on Bidi. So, we are going to remove the extra burden we had put on Bidi.

*(Interruptions)*

**SHRI INDRAJIT GUPTA :** What about kerosene? *(Interruptions)*.

**SHRI VISHWANATH PRATAP SINGH :** Anyway, Sir, I am grateful for this applause from the House. But it has cost me about Rs. 10 crores.

**AN HON. MEMBER :** It is a poorman's entertainment.

*[Translation]*

**SHRI BALKAVI BAIRAGI (Mandsaur):** It is a matter of happiness that the hon. Finance Minister has taken care of bidis...*[Interruptions]*

*[English]*

**SHRI VISHWANATH PRATAPSINGH:** Sir, hon. Members have expressed their concern about the farmers and the farm sector. The House may remember that our farmers are the backbone of our economy. It is from their contribution that we derive strength for our economy. We have decided now to exempt all agricultural implements including power-operated implements which fall under item 68 from the levy of excise duty.

**AN HON. MEMBER :** What about diesel engine and tractors?

**SHRI VISHWANATH PRATAP SINGH :** Sir, for the farm sector, I propose to exempt excise duty specified for poultry equipments, namely, incubators poultry feed mix and grinders. So, these are for the farm sector and for the farmers.

On diesel and kerosene, I have already told you the reasons. I need not repeat out the background of this increase and the rationale behind it. But, hon. Members, with a view to giving relief to the farm sector and the poor section of the people who use diesel and kerosene, we have decided to reduce the prices announced on the 16th March, 1985 in respect of high speed diesel and kerosene by 7 paise per liter.

**AN HON. MEMBER :** What about *pan masala*?

**SHRI VISHWANATH PRATAP SINGH :** About *pan masala*...

**SOME HON. MEMBERS ;** No.

**SHRI VISHWANATH PRATAPSINGH:** Sir, I will go by the feelings of the House. *[Interruptions]*

**MR. CHAIRMAN :** Order please.

**SHRI VISHWANATH PRATAP SINGH :** Sir, I have to recover this from somewhere. While these concessions have been made, my hon. friend from South has come and shown something as *pan masala*. That problem, I will look into it separately. But about the *pan masala*, the general consensus is, it should remain.

*[Translation]*

**AN HON. MEMBER :** You may increase the impost on *pan masala*... *(Interruptions)*.

*[English]*

**AN HON. MEMBER :** What about betel importers?

**SHRI VISHWANATH PRATAP SINGH :** Betel importers will not be affected, I will tell you.

Sir, I have to recover it somewhere. Somehow, I don't have the knowledge of mathematics which my hon. friends on the opposite have. I have to recover it from somewhere. I propose therefore to raise the excise duty on cigarettes; *(Interruptions)*. The rates of duty on cigarettes are proposed to be increased by one paise per cigarette. In the case of cigarette whose adjusted sale price is more than Rs. 3 per packet of 10, the increase

will be higher. No change is being effected in cheaper varieties of cigarettes costing about 60 paise per packet of 10. The measure is estimated to yield an additional revenue of Rs.9 5 crores. The copies of Notifications will be placed on the Table of the House.

I thank all the hon. Members who have participated in the debate on the General Budget... (*Interruptions*).

16.00 hrs.

MR. CHAIRMAN : please allow the Finance Minister to reply.

SHRI VISHWANATH PRATAP SINGH : You cannot cook without salt, On salt, the Railway Minister would be responding There was no tax increased on salt. (*Interruptions*)

SOME HON. MEMBERS : What about cooking gas ?

MR. CHAIRMAN: I shall now put the Supplementary Demands for Grants (General) for 1984-85.

The question is :

“That the respective Supplementary sums not exceeding the amounts on Revenue Account and Capital Account shown in the third column of the Order Paper be granted to the President out of the Consolidated Fund of India to defray the charges that will come in course of payment during the year ending 31st day of March, 1985 in respect of the following demands entered in the second column thereof :

Demand Nos. 1, 2, 3, 4, 7, 9, 10, 11, 12, 17, 18, 19, 21, 23, 25, 26, 27, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 43, 44, 45, 46, 47, 48, 49, 50, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 68, 69, 71, 75, 76, 77, 78, 79, 80, 82, 83, 85, 86, 88, 89, 91, 96, 100, 101, 104, 105, 108 and 109.”

The motion was adopted.

*List of Supplementary Demands for Grants (General) for 1984-85 voted by the Lok Sabha*

No. of Demand	Name of Demand	Amount of Demand for Grant voted by House	
		Revenue Rs.	Capital Rs.
1	2	3	
<b>Ministry of Agriculture</b>			
1.	Department of Agriculture and Cooperation	35,85,000	...
2.	Agriculture	19,30,01,000	...
3.	Fisheries	1,62,00,000	...
4.	Animal Husbandry and Dairy Development	1,000	...
7.	Department of Agricultural Research and Education	10,27,000	...
<b>Ministry of Chemicals and Fertilizers</b>			
9.	Ministry of Chemicals and Fertilizers	119,59,34,000	...
<b>Ministry of Commerce</b>			
10.	Ministry of Commerce	19,15,000	...
11.	Foreign Trade and Export Production	3,000	...
12.	Textiles, Handloom and Handicrafts	22,98,55,000	141,35,89,000



1	2	3
<b>Ministry of Communications</b>		
17. Capital Outlay on Posts and Telegraphs	...	49,00,00,000
<b>Ministry of Defence</b>		
18. Ministry of Defence	45,47,17,000	2,000
19. Defence Services—Army	393,64,00,000	...
21. Defence Services—Air Force	62,61,39,000	...
23. Capital Outlay on Defence Services	...	39,60,00,000
<b>Ministry of Education and Culture</b>		
25. Education	69,57,000	10,00,000
26. Department of Culture	4,75,75,000	...
27. Archaeology	1,80,00,000	...
<b>Ministry of Energy</b>		
31. Department of Non-Conventional Energy Sources	3,000	...
<b>Ministry of External Affairs</b>		
32. Ministry of external affairs	8,79,27,000	...
<b>Ministry of Finance</b>		
33. Ministry of Finance	1,67,24,000	...
34. Customs	5,56,90,000	15,65,05,000
35. Union Excise Duties	7,71,83,000	...
36. Taxes on Income, Estate Duty, Wealth Tax and Gift Tax	9,41,48,000	...
37. Stamps	...	1,50,50,000
38. Audit	13,79,24,000	...
39. Currency, Coinage and Mint	8,76,50,000	...
40. Pensions	19,57,07,000	...
41. Opium and Alkaloid Factories	...	8,54,000
43. Other Expenditure of the Ministry of Finance	5,000	168,05,92,000
44. Loans to Government Servants, etc.	...	13,45,00,000
<b>Ministry of Food and Civil Supplies</b>		
45. Department of Food	253,21,22,000	22,90,62,000
46. Department of Civil Supplies	...	1,000

1	2	3	
<b>Ministry of Health and Family Welfare</b>			
47. Ministry of Health and Family Welfare		5,00,000	...
48. Medical and Public Health		4,17,06,000	12,22,94,000
49. Family Welfare		10,12,88,000	...
<b>Ministry of Home Affairs</b>			
50. Ministry of Home Affairs		1,49,12,400	...
52. Department of Personnel and Administrative Reforms		1,83,03,000	...
53. Police		82,98,19,000	7,68,21,000
54. Other Administrative and General Services		54,17,48,000	4,60,60,000
55. Other Expenditure of the Ministry of Home Affairs		5,42,17,000	...
56. Delhi		34,54,22,000	5,000
57. Chandigarh		5,04,94,000	...
58. Andaman and Nicobar Islands		3,12,86,000	1,61,68,000
59. Dadra and Nagar Haveli		44,99,000	...
60. Lakshadweep		2,47,35,000	84,69,000
<b>Ministry of Industry</b>			
61. Ministry of Industry		20,15,000	...
62. Industries		37,03,79,000	...
63. Village and Small Industries		...	2,53,75,000
<b>Ministry of Information and Broadcasting</b>			
64. Ministry of Information and Broadcasting		21,34,000	...
65. Information and Publicity		6,47,19,000	...
66. Broadcasting		13,42,21,000	5,16,87,000
<b>Ministry of Labour and Rehabilitation</b>			
68. Department of Labour		16,77,000	...
69. Labour and Employment		57,18,06,000	7,00,000
<b>Ministry of Law, Justice and Company Affairs</b>			
71. Ministry of Law, Justice and Company Affairs		23,58,000	...
<b>Ministry of Planning</b>			
75. Planning Commission		59,43,000	...

1	2	3
<b>Ministry of Rural Development</b>		
76. Ministry of Rural Development	1,000	...
<b>Ministry of Shipping and Transport</b>		
77. Ministry of Shipping and Transport	47,11,000	...
78. Roads	8,64,90,000	10,98,52,000
79. Ports, Lighthouses and Shipping	4,000	4,000
80. Road and Inland Water Transport	1,000	12,12,50,000
<b>Ministry of Steel and Mines</b>		
82. Department of Steel	138,98,24,000	449,97,46,000
83. Department of Mines	1,000	24,55,00,000
<b>Ministry of Tourism and Civil Aviation</b>		
85. Meteorology	36,59,000	...
86. Aviation	...	1,000
<b>Ministry of Works and Housing</b>		
88. Ministry of Works and Housing	18,76,000	...
89. Public Works	1,87,18,000	...
91. Housing and Urban Development	1,65,00,000	2,00,01,000
<b>Department of Electronics</b>		
96. Department of Electronics	1,000	1,000
<b>Department of Science and Technology</b>		
100. Survey of India	3,47,70,000	...
101. Grants to Council of Scientific and Industrial Research	8,50,00,000	...
<b>Department of Supply</b>		
104. Department of Supply	4,75,000	...
105. Supplies and Disposals	25,00,000	...
<b>Parliament, Department of Parliamentary Affairs, Secretariats of the President and Vice-President and Union Public Service Commission</b>		
108. Department of Parliamentary Affairs	3,35,000	...
109. Secretariat of the Vice-President	1,85,000	...

MR. CHAIRMAN : I shall now put the Demands for Grants on Account (General) for 1985-86. The question is :

“That the respective sums not exceeding the amounts on Revenue Account and Capital Account shown in the third column of the Order Paper, be granted

to the President out of the Consolidated Fund of India, on account, for or towards defraying the charges during the year ending on the 31st day of March, 1986, in respect of the heads of demands entered in the second column thereof against Demand Nos. 1 to 106.”

The motion was adopted.

*List of Demands for Grants on Account (General) for 1985-86 voted by Lok Sabha*

No. of Demand	Name of Demand	Amount of Demand for Grant on account to be submitted to the vote of the House	
		Revenue Rs.	Capital Rs.
1	2	3	
<b>Ministry of Agriculture and Rural Development</b>			
1.	Department of Agriculture and Cooperation	78,57,000	...
2.	Agriculture	41,38,40,000	3,71,00,43,000
3.	Fisheries	4,47,80,000	1,64,01,000
4.	Animal Husbandry and Dairy Development	22,71,77,000	7,18,01,000
5.	Co-operation	2,41,80,000	38,98,67,000
6.	Department of Agricultural Research and Education	14,81,000	...
7.	Payments to Indian Council of Agricultural Research	24,73,19,000	...
8.	Department of Rural Development	1,88,22,14,000	7,52,000
<b>Ministry of Chemicals and Fertilizers</b>			
9.	Ministry of Chemicals and Fertilizers	2,06,31,51,000	27,27,83,000
<b>Ministry of Commerce and Supply</b>			
10.	Ministry of Commerce and Supply	57,33,000	...
11.	Foreign Trade and Export Production	1,35,87,38,000	18,20,58,000
12.	Textiles, Handloom and Handicrafts	43,75,32,000	36,62,97,000
13.	Supplies and Disposals	2,54,05,000	...
<b>Ministry of Communications</b>			
14.	Ministry of Communications	92,46,000	7,12,33,000
15.	Overseas Communications Service	7,54,20,000	2,23,33,000
16.	Postal Services	1,31,59,16,000	5,91,33,000

1	2	3	
17.	Telecommunication Services	2,43,73,33,000	1,51,59,83,000
	<b>Ministry of Defence</b>		
18.	Ministry of Defence	79,48,33,000	26,91,87,000
19.	Defence Pensions	84,74,79,000	...
20.	Defence Services—Army	7,97,84,70,000	...
21.	Defence Services—Navy	1,00,32,50,000	...
22.	Defence Services—Air Force	2,80,32,23,000	...
23.	Capital Outlay on Defence Services	...	1,54,25,33,000
	<b>Ministry of Education</b>		
24.	Ministry of Education	60,87,000	...
25.	Education	82,05,17,000	8,40,000
	<b>Ministry of Invironment and Forests</b>		
26.	Department of Environment	4,73,79,000	...
27.	Department of Forests and Wild Life	8,44,85,000	...
	<b>Ministry of External Affairs</b>		
28.	Ministry of External Affairs	33,90,92,000	7,11,33,000
	<b>Ministry of Finance</b>		
29.	Ministry of Finance	2,18,90,000	6,000
30.	Customs	13,21,19,000	6,91,66,000
31.	Union Excise Duties	16,15,68,000	...
32.	Taxes on Income, Estate Duty, Wealth Tax and Gift Tax	18,05,77,000	...
33.	Stamps	7,25,61,000	1,12,75,000
34.	Audit	21,96,24,000	...
35.	Currency, Coinage and Mint	26,76,79,000	16,36,41,000
36.	Pensions	26,63,87,000	...
37.	Opium and Alkaloid Factories	24,14,18,000	1,18,58,000
38.	Transfers to State Governments	7,65,83,49,000	...
39.	Other Expenditure of the Ministry of Finance	1,70,80,37,000	5,71,55,08,000
40.	Loans to Government Servants etc.	...	20,68,50,000
	<b>Ministry of Food and Civil Supplies</b>		
41.	Department of Food	2,08,46,30,000	19,11,49,000
42.	Department of Civil Supplies	91,73,000	1,33,84,000

1	2	3
<b>Ministry of Health and Family Welfare</b>		
43. Ministry of Health and Family Welfare	33,31,000	...
44. Medical and Public Health	52,67,88,000	17,90,53,000
45. Family Welfare	88,94,33,000	1,86,33,000
<b>Ministry of Home Affairs</b>		
46. Ministry of Home Affairs	1,25,85,000	...
47. Cabinet	1,23,54,000	...
48. Police	97,45,71,000	6,40,32,000
49. Other Administrative and General Services	46,65,97,000	6,99,91,000
50. Rehabilitation	25,30,56,000	1,29,33,000
51. Other Expenditure of the Ministry of Home Affairs	65,66,39,000	36,69,76,000
52. Delhi	67,67,51,000	46,82,19,000
53. Chandigarh	11,19,44,000	6,24,58,000
54. Andaman and Nicobar Islands	10,63,06,000	6,18,60,000
55. Dadra and Nagar Haveli	1,37,62,000	98,33,000
56. Lakshadweep	3,14,81,000	55,52,000
<b>Ministry of Industry and Company Affairs</b>		
57. Ministry of Industry and Company Affairs	1,85,91,000	16,000
58. Industries	17,92,08,000	51,14,00,000
59. Village and Small Industries	34,10,25,000	25,50,67,000
<b>Ministry of Information and Broadcasting</b>		
60. Ministry of Information and Broadcasting	27,21,000	...
61. Information and Publicity	7,72,19,000	30,50,000
62. Broadcasting	28,70,10,000	20,45,14,000
<b>Ministry of Irrigation and Power</b>		
63. Department of Irrigation	29,77,31,000	4,41,34,000
64. Department of Power	38,49,31,000	2,80,76,11,000
<b>Ministry of Labour</b>		
65. Department of Labour	30,31,000	...
66. Labour and Employment	29,99,40,000	18,66,000

1	2	3
<b>Ministry of Law and Justice</b>		
67. Ministry of Law and Justice	5,46,11,000	...
68. Administration of Justice	17,86,000	...
<b>Ministry of Parliamentary Affairs</b>		
69. Ministry of Parliamentary Affairs	8,24,000	...
<b>Ministry of Petroleum</b>		
70. Ministry of Petroleum	42,71,000	45,23,31,000
<b>Ministry of Planning</b>		
71. Planning	1,28,25,000	...
72. Statistics	4,46,83,000	...
<b>Ministry of Science and Technology</b>		
73. Department of Science and technology	10,70,50,000	5,75,000
74. Survey of India	7,09,16,000	1,67,000
75. Meteorology	5,19,69,000	1,22,30,000
76. Department of Scientific and Industrial Research	26,30,58,000	45,00,000
77. Department of Non-Conventional Energy Sources	20,09,41,000	40,00,000
<b>Ministry of Shipping and Transport</b>		
78. Ministry of shipping and Transport	1,01,14,000	...
79. Roads	38,44,17,000	45,49,94,000
80. Ports, Lighthouses and Shipping	17,20,24,000	21,07,48,000
81. Road and Inland Water Transport	2,25,27,000	26,50,02,000
<b>Ministry of Social and Women's Welfare</b>		
82. Ministry of Social and Women Welfare	21,26,97,000	11,08,000
<b>Ministry of Steel, Mines and Coal</b>		
83. Department of Steel	2,43,11,000	1,17,32,83,000
84. Department of Mines	20,47,79,000	50,24,16,000
85. Department of Coal	24,74,48,000	1,77,50,01,000
<b>Ministry of Tourism and Civil Aviation</b>		
86. Ministry of Tourism and Civil Aviation	22,64,000	...
87. Aviation	10,95,57,000	15,13,50,000

1	2	3
88. Tourism		3,03,40,000      2,23,63,000
<b>Ministry of Works and Housing</b>		
89. Ministry of Works and Housing		37,17,000      ...
90. Public Works		20,61,10,000      11,57,22,000
91. Water Supply and Sewerage		50,16,66,000      ...
92. Housing and Urban Development		6,00,77,000      14,46,85,000
93. Stationery and Printing		10,31,32,000      ...
<b>Department of Atomic Energy</b>		
94. Department of Atomic Energy		22,41,000      ...
95. Atomic Energy Research, Development and Industrial Projects		32,46,76,000      71,94,39,000
96. Nuclear Power Schemes		75,94,03,000      32,96,20,000
<b>Department of Culture</b>		
97. Department of Culture		5,44,67,000      ...
98. Archaeology		2,65,83,000      ...
<b>Department of Electronics</b>		
99. Department of Electronics		9,32,50,000      8,40,83,000
<b>Department of Ocean Development</b>		
100. Department of Ocean Development		4,32,43,000      11,66,000
<b>Department of Personnel and Administrative Reforms</b>		
101. Department of Personnel and Administrative Reforms		2,54,85,000      ...
<b>Department of Space</b>		
102. Department of Space		24,59,26,000      18,36,44,000
<b>Department of Youth Affairs and Sports</b>		
103. Department of Youth Affairs and Sports		5,60,60,000      21,66,000
<b>Parliament, Secretariats of the President and Vice-President and Union Public Service Commission</b>		
104. Lok Sabha		1,89,70,000      ...
105. Rajya Sahba		66,49,000      ...
106. Secretariat of the Vice-President		1,88,000      ...