

# LOK SABHA DEBATES

LOK SABHA

Statement

Friday, September 18, 1981/Bhadra  
27, 1903 (Saka)

The Lok Sabha met at Eleven of  
the Clock.

[MR. DEPUTY SPEAKER in the  
Chair].

## ORAL ANSWERS TO QUESTIONS

श्री हरीश कुमार गंगवार (पीलीभीत):  
उपाध्यक्ष जी, बैकवर्ड क्लासेज . . . .

MR. DEPUTY-SPEAKER: Nothing  
will go on record. This is question  
Hour. Question No. 501—Shri Virdhi  
Chander Jain.

### Rating of India by World Bank

\*501. SHRI VIRDHI CHANDER  
JAIN: Will the Minister of  
FINANCE be pleased to state:

(a) whether it is a fact that the  
World Bank in a recent study has  
rated India as the 10th poorest coun-  
try among nations;

(b) if so, his reaction thereto; and

(c) whether the World Bank's  
rating of India is correct taking into  
view the country's achievements in  
the field of agriculture, industry etc.?

THE MINISTER OF FINANCE  
(SHRI R. VENKATARAMAN): (a)  
to (c). A Statement is laid on the  
Table of the House.

(a) No, Sir. According to the World  
Development Report 1981, India is  
the 15th country from the bottom of  
the group of 36 "low-income coun-  
tries" (with GNP per capita of U.S.  
dollars 370 and below) with popula-  
tion of one million and above listed  
in ascending order of GNP per  
capita in U.S. dollars in 1979. Of  
these 15 countries, six are in Africa  
and nine in Asia. It should be noted  
that 1979 was an exceptionally bad  
year when there was a negative  
growth of GNP and our per capita  
income declined and this will have  
affected the ranking.

(b) and (c). The World Bank's  
computation of per capita GNP is  
based on national accounts data pre-  
pared by each country's statistical  
offices. However, as the World Deve-  
lopment Report, 1981 itself empha-  
sises, international comparisons of  
GNP per capita have to be made with  
caution as they provide only broad  
indication of economic conditions in  
different countries.

श्री वृद्धि चन्द्र जैन : उपाध्यक्ष जी,  
वर्ल्ड डेवलपमेंट रिपोर्ट में  
ineffective population policies, failure  
of the infrastructure, low returns  
from public sector investments and  
inefficient success in export promo-  
tions.

बताया है। केन्द्रीय सरकार का इसके  
बारे में क्या बताया है। रीएक्शन  
है और इस स्थिति को सकारण के  
लिये केन्द्रीय सरकार इन 10 सालों  
में क्या विशेष कदम उठा कर के  
इन समस्याओं पर काबू पाने का प्रयास कर  
रही है?

SHRI R. VENKATARAMAN: Mr.  
Deputy-Speaker, Sir, the ranking

does not really reflect the economy strength of the country. This is the point which I have repeatedly told the House. For instance, the countries which are ranked higher than India in the World Bank Report are in receipt of aid from us, concessional as well as Commercial. Therefore, the fact that some countries have a per capita income which is higher than ours and therefore ranked above than ours does not at all mean that they are economically stronger or sounder than ourselves. So far as our economic strength is concerned, I have mentioned in the House several times that we are among the first 10 industrialised nations in the World. We have the third largest technical and scientific personnel in the world and these things are not reflected in the per capita income. Many countries which have a higher per capita income have a smaller population. The wealth of the country, the national income of the country is divided by a smaller population and this gives a distorted picture of their per capita income. Countries with a larger population give a lower per capita income and therefore the question of interpolation misses the thrust.

श्री वृद्ध चन्द्र जैन: उपाध्यक्ष जी, प्रति व्यक्ति आय की दृष्टि से सब से गरीब और सब से धनी व्यक्ति आय की दृष्टि से सब से गरीब और सब से धनी देश के बीच में आर्थिक दृष्टि में क्या रेशो है और भारत का सब से धनी देश के बीच में क्या रेशो है, इस सम्बन्ध में कोई प्रकाश मंत्री जी डाल सकते हैं?

SHRI R. VENKATARAMAN: I do not know what the Member wants. You want to know the ratio between India and other countries. I think it is somewhere in the report.

श्री विलीय सिंह भूरिया : उपाध्यक्ष महोदय, मैं मंत्री जी से जानना चाहता हूँ अभी भारत अन्तर्राष्ट्रीय मुद्रा कोष से ऋण लेने जा रहा है और उस समय में वर्ल्ड बैंक ने रिपोर्ट प्रस्तुत की है, तो मंत्री जी की क्या प्रतिक्रिया है? जैसा कि मंत्री जी

कहते हैं कि हमारे से जो ऋण लेते हैं उनको तो हमारे ऊपर बताया और हमको नीचे बताया, और इस सम्बन्ध में हमारे हिन्दुस्तान के कई लंबकों ने इस बारे में लेख लिखे हैं, मेरे पास मध्य प्रदेश की 'नई दुनिया' की 31 अगस्त की रिपोर्ट है जिसमें उसने यह विश्लेषण किया है कि दरिद्रता की जड़ पर छाछ डालनी होगी, तो मैं मंत्री जी से जानना चाहता हूँ कि आप ने पर कौपिटा इन्कम बढ़ाने के लिये क्या भारत के लोगों के बारे में सर्वे किया है कि आप छठी पंचवर्षीय योजना के अन्दर भारत के लोगों की कितनी आय बढ़ाना चाहते हैं और गरीबी को रोकने के लिये कौनसी कार्यवाही करना चाहते हैं?

SHRI R. VENKATARAMAN: Sir, I do not know what the economist of the Madhya Pradesh variety said. But if it is true that he has said what the Hon. Member said, I have to say that he is wrong. The per capita income of countries, as I said, is calculated on the total GNP divided by population and that does not really represent the real economic strength of the country. I will explain, Sir, how, the purchasing power in two different countries differs. A cup of coffee in India will cost 25 paise and the same cup of coffee in America will cost 25 cents.

(Interruptions)

AN HON. MEMBER: 25 paise in Madras, Sir.

MR. DEPUTY-SPEAKER: What he said is correct. It should be 25 paise in Madras.

SHRI R. VENKATARAMAN: I am only saying for instance. I am not saying what a cup of coffee costs. Just to illustrate I said this. A bus ride in India will cost 50 paise and in America it will cost 50 cents. Similarly a newspaper may cost 60 paise in India and 60 cents in America. Therefore, it is the purchasing power parity of these two countries which is to be taken into account; and that will reflect the real economic comparisons. And on that

basis there is what is known as the International Comparison Project. They compare the real incomes of countries per person in different countries and they also publish some statistics. We have used the per capita income, because it is very favourable to us. On this basis we get loans from the World Bank, from international institutions, IDA and others. And therefore, why should we give it up? And it is being used by all people.

**SHRIMATI GEETA MUKHERJEE:**

Sir, is it a fact that the World Bank recently has refused a loan to India which India wanted for its rural electrification scheme, may be to the tune of Rs. 400 crores? If so, is it also a fact that the reason for refusal is that the World Bank wanted India to buy aluminium products at a much higher rate than what is obtaining in our own country, from the foreign countries according to the world Bank's descriptions. Will the Minister give us the real facts about it?

**SHRI R. VENKATARAMAN:** Sir, I do not have this information. I will look into this and reply.

**SHRIMATI GEETA MUKHERJEE:**

Anand Bazar Patrika two days back has reported this.

**SHRI JAGDISH TYTLER:** My question is regarding the rating of India by the World Bank, Sir, First, I would like to know the total World Bank loans so far given to India and the amount of loans promised and the amount in the pipeline. May I know whether it is a fact that the World Bank has expressed dissatisfaction and this reporting has emerged from the fact that the Government did not toe their line?

**SHRI R. VENKATARAMAN:** So far as the first part is concerned, I do not have the information of the total loans, because they fall under different categories. Some are given under IDA, which are concessional loans; and some

are given on commercial terms. Therefore, there are different categories falling under different groups and it will be difficult to collect even this information. But if the Hon. Member wants, I will collect it and give it to him.

As for the second part of the question, usually the lenders look into the project. There is an appraisal and on the appraisal if they are satisfied, they say this project will be accepted. It is posed to the Bank; and on such appraisals, our projects which are on the pipeline, have all been accepted. That is the position now.

**SHRI NIREN GHOSH:** What is the contrast between India and China in this respect, as regards the rating in the international market, their per capita income and the progress that we have achieved, and they have achieved?

**SHRI R. VENKATARAMAN:** At one time, China was claiming to be on the developed countries' list. And they said that their economic progress was very much higher than in other capitalist, market-oriented economies, and so on. Latterly, they have made an application to the World Bank for loan, under the plea that their per capita income is only \$200.

**PROF. MADHU DANAVATE:** Have they learnt from you?

**SHRI R. VENKATARAMAN:** I don't know whether they have learnt mine, or we have learnt theirs. The point really is this: so far as the per capita calculation of China's income is concerned, we have no information as to their total GNP. But on the basis of the facts which they have furnished to the World Bank now, they qualify for concessional assistance under IDA, if their per capita income is below \$360.

**SHRI BHERAVADAN K. GADHAVI:** Is it a fact that in the last four years, the approach of World Bank, as far as giving loan to India is concerned, has changed because the political situation in the country has changed? Secondly, is it a fact that despite our efforts and

despite the fact that we surge forward in our economic development, by rating India in this fashion it is the political intention of the World Bank to put a cloud on the eyes of the people that India is not progressing well?

**SHRI R. VENKATARAMAN:** No, I would not say that. After all, the World Bank makes an assessment of the facts as presented. So far as the attitude is concerned, I would not say it has changed. On the contrary, we are receiving favourable consideration of all our proposals.

### मंगलूर बीड़ी वर्क्स, बंगलूर की ओर उत्पाद शुल्क की बकाया राशि

\*502. श्री धर्मदास शास्त्री : क्या वित्त मंत्री निम्नलिखित जानकारी दर्शाने वाला एक चिक्करण पत्र सभा पटल पर रखने की कृपा करेंगे कि:

(क) 501 नम्बर बीड़ी के निर्माता मंगलूर बीड़ी वर्क्स, बंगलूर की ओर वर्ष 1978-79, 1979-80 और 1980-81 के वर्षों के लिए उत्पाद शुल्क की कितनी राशि बकाया है ;

(ख) उक्त वर्षों के लिए उक्त कम्पनी ने वर्ष वार उत्पाद शुल्क की कितनी राशि का भुगतान किया;

(ग) इस कम्पनी की ओर अब तक उत्पाद शुल्क की कुल कितनी राशि बकाया है और सरकार ने इसे वसूल करने के लिए क्या प्रयास किए हैं और इस राशि की वसूली में विलम्ब के क्या कारण हैं; और

(घ) इस राशि की शीघ्र वसूली के लिए क्या उपाय किए जा रहे हैं?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SAWAI SINGH SISODIA):** (a) The correct name of the unit is Mangloor Ganesh Bidi Works, manufacturers of Bidi No. 501 Bangalore. No Central excise duty for the years 1978-79, 1979-80 and 1980-81, is outstanding against the party.

(b) The amount of excise duty paid by the said Company during these years, is given below:

Year	Amount of duty paid
1978-79.	Rs. 4,21,24,628
1979-80.	Rs. 5,97,95,660
1980-81.	Rs. 5,64,13,897

(c) and (d) . No amount of excise duty is outstanding against the Company. Therefore, the question about reasons for delay/measures for realising the amount does not arise.

श्री धर्मदास शास्त्री : अध्यक्ष महोदय, मैं मंत्री महोदय को मुबारकवाद देता हूँ कि उनका डिपार्टमेंट बहुत एफिशेंट है और वह खुद भी बहुत जबरदस्त एफिशेंट आदमी है। लेकिन मैं कहना चाहता हूँ कि ये लोग बेनामी, बिना पर्चे के, काम करते हैं। क्या इस कम्पनी पर छापे मारे गए या नहीं? हम पता चला है कि मंत्री महोदय के विभाग ने छापे मारे, लेकिन किसी न किसी तरह से गोल-माल कर के उनके रिकार्ड गायब कर दिए जाते हैं। क्या मंत्री महोदय को इस बात की जानकारी है ?

श्री सवाई सिंह सिसोदिया : यह प्रश्न है एक्साइज ड्यूटी के बकाया होने और उसकी वसूली के सम्बन्ध में। माननीय सदस्य ने प्रश्न किया है कि छापे मारे गए हैं या नहीं। पहले तो उन्होंने यह नहीं बताया कि छापे किस विभाग की ओर से मारे गए। प्रोसीजर है कि अगर छापा मारा जाता है, तो पंचनामा बनता है, रिकार्ड तैयार किया जाता है। मैं नहीं समझता कि छापा मारने के रिकार्ड को गायब कर दिया गया होगा। अगर उनके पास किसी किस्म की कोई स्पष्ट शिकायत है, और वह उसे हमारे पास भेजने की तक्लीफ करेंगे, तो हम निश्चित रूप से उसकी जांच करेंगे और उनको सूचना देंगे।

श्री धर्मदास शास्त्री : मैं मंत्री महोदय को इस की जानकारी दे दूंगा कि क्या क्या