

[Shri Dinesh Goswami]

the Act. The Government of Assam has submitted representations to the Union to amend the Act. The matter requires urgent consideration.

(viii) Need to attract more foreign tourists to India, particularly from middle eastern, Gulf and South-Eastern countries.

PROF. SAIFUDDIN SOZ (Baramulla) : There is tremendous scope for attracting foreign tourists to India. It is estimated that India attracts only one per cent of the international tourists although India should be considered one of the countries in the world which offer/rich variety in tourist resorts and other attractions with its vast and varied history represented by ancient monuments, archaeological wonders, museums and breath-taking scenic beauties and picturesque landscapes. India should be on the top in the tourist map of the world.

Middle Eastern, Gulf and South-Eastern countries offer new areas where a concerted effort to attract tourists could yield rich dividends.

I came to know recently that some travel agencies in Kuwait had booked 250 persons for visiting India. The prospective tourists had desired to visit Khajuraho as also participate in skiing at Gulmarg (Kashmir). To my dismay, I was told that the telegrams, telephone calls and other communications from our Tourist Office in Kuwait and travel agencies there did not evoke any response from the concerned departments in Delhi. This is something disheartening and I wish that the Government of India takes a serious notice of this mishap.

[*Translation*]

(ix) Need to provide all facilities to Orange growers in Jhalawar district of Rajasthan.

SHRI JUJHAR SINGH (Jhalawar) : Mr. Chairman, Sir, the yield of oranges has been increasing steadily in district Jhalawar during the period of over last one decade and the farmers have shown great enthusiasm in the production of oranges.

There is large production of oranges in Tehsil Pach Pahar, Tehsil Pidawa and Tehsil Jhalra Patan in district Jhalwar, a major portion of which is despatched to other parts of the country from Bhawani Mandi Station. Oranges worth more than Rs. 6 crores are estimated to have been produced in this area during the last year.

Keeping in view such a large production there is need to organise the orange trade in a proper way and in addition to removing the difficulties coming in the way of railway booking, there is need to set up orange-based units either in the Public Sector or in the co-operative sector with a view to increase the local consumption so that the farmers growing oranges could get the fair prices.

I would like to submit to the hon. Agriculture Minister to take suitable action in the matter.

13.28 hrs.

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

[*English*]

MR. CHAIRMAN : The House will now take up further general discussion on the Budget (General) for 1986-87.

Shri Harish Rawat was on his legs. He can continue his speech.

[*Translation*]

SHRI HARISH RAWAT (Almora) : Mr. Chairman, Sir, concern has been expressed by some sections that minimum allocation has been made in the Budget for the core sector, but the facts are contrary to this. In comparison to last year's budget, 29 per cent more allocation has been made for Agriculture and Irrigation. Similarly 61 per cent more allocation has been made for Railways and 33 per cent more funds have been provided for the power sector. The hon. Finance Minister has made the efforts to mobilise the maximum resources.

[*English*]

SHRI K. P. UNNIKRISHNAN (Badagara) : Sir, what is this ? The Finance Minister is supposed to be present when the General Budget is discussed. He is not present here.

MR. CHAIRMAN : Shri Chidambaram is present here.

SHRI K. P. UNNIKRISHNAN : He is not in charge of the Finance portfolio. He is not the Finance Minister. Nor is he the Minister of Parliamentary Affairs. What is going on ?

AN HON. MEMBER : He has come. Hon. Minister is already in the House.

SHRI HARISH RAWAT : I am satisfied.

[*Translation*]

Keeping in view the Budget Estimates of last year, there has been an increase of 29 per cent on planned expenditure, but in comparison to actual expenditure on the Plan last year, there is an increase of 11 per cent in real terms in the Budget estimates of the current year. I am not referring to this point as a complaint, but I am afraid that this the second Budget of our Seventh Five Year Plan and if the present trend of increase in the ratio continues, Finance Ministry may find it difficult to mobilise the resources for the Plan in the coming years. I would, therefore, like to submit that efforts should be made right now to search new sources for mobilising resources in the coming years.

Without-increasing any burden in the Budget, you have made an additional allocation of Rs. 800 crores for power generation. The hon. Finance Minister deserves our congratulations for the same. You have asked the N.H.P.C. and N.L.C. to mobilise resources through bonds and foreign loan, but I would like to submit that keeping in view the reputation of some State Electricity Boards as also the delay which takes place in the completion of

works of NHPC, these are the two sectors in the field of powers generation that they can not mobilise sufficient funds through Bonds etc. I would, therefore, like to submit to the hon. Finance Minister that if he wants that our target for power generation may not suffer like that of the Sixth Plan and we achieve the target fixed for the Seventh Plan, efforts should be made to provide more budgetary support to NHPC and State Electricity Boards. Unless you provide additional funds through Budgetary support, I think the NHPC and State Electricity Boards may find it difficult to mobilise the resources.

We would have to view the current Budget in the light of last Budget and long term fiscal policy as also the size and targets of the Seventh Five Year Plan. The sections of our economy which were given some concessions in the last year's Budget, have not been disappointed by the Finance Minister this year as well. In addition some new sections have also been given concession. I would like to express my thanks to him for that, he has tried to keep a balance between our long term fiscal policy and basic targets of the Seventh Plan. We may call the current year's budget a positive advancement in that direction. The most commendable aspect of this year's Budget is that our dependence on foreign debt has gone down considerably. Only 5 per cent of this year's Budget has been supported by the foreign debt. But the gap between import and export is widening continuously. At present there is a gap of approx. Rs. 7000 crores. The tendency of a decline in the production of Petroleum products shows that this gap would further widen. I would request the hon. Finance Minister that we should look towards those areas in whose case import has been liberalised. We have especially liberalised the import of technology, which might yield good results in the long run, but it may put a burden directly on our economy. Because by taking advantage of your liberalisation, the private sector is importing the spare parts indiscriminately and after assembling them market is being flooded with the good, which is having a very adverse effect on our indigenous market. I would like to submit that I had asked a question and in its reply it was stated that 76 foreign collaboration

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agreements had been finalised on cent percent basis. A huge amount of foreign exchange has been spent on them. I would like to submit that control is required to be exercised in this area also so that Private sector does not take undue advantage of your liberalisation and machines are not assembled here by importing the parts indiscriminately.

Budget deficit is not so much, which could not be bridged. There was a deficit budget last year also. This is the third consecutive year when a deficit budget has been presented. Last year vigorous efforts were made for the collection of revenue in addition to provision of concessions. In addition to concessions, pressure was built up so that people could bear the tax burden. As a result there has been 23 per cent increase in the collection of taxes, for which the Finance Minister deserves our congratulations. I hope that same tempo would be maintained this year as well. Keeping in view the total tax collections, foreign exchange reserve, and the buffer stock of foodgrains, we may expect that the inflation would be kept under control like last two or three years, rather the rate of inflation would go down. I would also like to submit here that the ratio between wholesale Price Index and Consumer Price Index is always impracticable. You should kindly see to it that whole sale Price Index is not increased and Consumer Price Index is also kept under control. If we do not control the Price Index, the difficulties of the common man would increase.

I would also like to voice my concern about the industrial production. The hon. Finance Minister had given some concessions to the industrial sector and had expressed his expectations in the Budget speech, but his expectations have been belied by the industrial sector. Whatever increase has been recorded in the field of industrial production, has been contributed by the Public Sector and electronic enterprises. I would, therefore, like to submit that the Private Sector should be asked to meet the expectations expressed by the hon. Finance Minister in his last Budget speech.

Ours is a mixed economy. Private sector and Public sector would have to support each other, but it appears that the target of the Private sector is to earn profits only. This apprehension is proving to be true, because despite existence of mixed economy for so many years, the number of the unemployed youths is growing continuously. There is continuous decline in the availability of essential consumer items. There is also continuous decline in the quality of goods produced and prices are increasing. The works are not being paid fair wages. I would like to submit that the industries in Private sector do not deserve our sympathy. It has to be seen as to how maximum control could be exercised on them and as to have pressure could be kept on them.

The hon. Finance Minister had expressed certain expectations from the Public sector in his last Budget speech. I am happy to note that there has been some improvement in certain sectors. Petroleum sector, NHPC and collieries have especially done very well. But there are still certain sectors where improvement is required to be made. Specially improvement is required to be made in the functioning of State Electricity Boards and the Corporations. During the last session, a question was asked as to what are the transmission losses in Delhi, it was stated in the reply that there was 20 to 25 per cent transmission loss in Delhi. If there is 20 to 25 per cent transmission loss in a small Union Territory like Delhi, I do not know as to how we could ask larger States like M.P. and U.P. to reduce their transmission losses. At least there are certain sectors where improvement could be brought about, but a deliberate attempt is made to reduce the production. In such sectors we should see to it that there is no decline in production. The State Governments should be asked that they should not only ask for more funds, but they should also see as to how the funds, which are provided to them are utilised best. For this, it is necessary that present trend according to which the bureaucrat who can influence the high ups in the Ministry in any way is appointed as Head of any public sector undertaking, should be discouraged. I would urge upon you that mostly those persons who are active in public life and who have certain commitments to public welfare

and are able to contribute in the success of the public sector should be appointed Heads of the public sector undertakings.

With a view to ensure Social justice, it is necessary for our economic system that we may take something from those who are capable of paying. I am happy that the Finance Minister has tried to raise resources from those sectors which are in a position to contribute. He has tried to increase the revenue and has also mobilised resources by imposing taxes on luxury goods. Out of those funds he has allocated more funds for the programmes aiming at removal of poverty. I also want to submit that Shri Nani Palkhiwala and Shri Sethi who were praising him last year have got annoyed with the Finance Minister nowadays. But thousands of thousands people of India are praising him and thanking him that in this year's Budget he has allocated 65 per cent additional funds for the poverty removal programmes. Here I want to express my apprehension that out of the funds going to be allocated for this programme in the Seventh Five Year Plan you have already provided 48 per cent during the first two years. I want that you should assure the people that in the coming years also this tempo will be maintained. If in the coming years allocation in this regard is reduced, then whatever we have achieved through this programme till date will become infructuous.

You have provided some funds for all, be it IRDP, NREP, RLEGP, Self Employment Guarantee Scheme, Rural Landless people, Scheduled Castes, Harijans, bonded labour, rickshaw puller, washerman, porter, sweeper, infants, pregnant women etc. Next year also more funds should be provided for them so that they are benefited more and we may succeed in bringing them above the line of poverty.

Here I would also like to urge that the Minister of State for Finance should see to it that provision is made for the handicapped persons, widows and hapless elderly persons. The pensions given by the State Governments to them are very inadequate. This aspect should also be looked into.

Alongwith this, those unemployed youths should also be paid something as unemployment allowance whose name had been registered in the employment exchanges ten years back and who have so far not been to get any job.

It is also to be ensured that there should be better coordination between the State Governments and the Central Government for the poverty alleviation programmes. If it is not done, then these programmes will not succeed. Also, this work should be entrusted to a good machinery. If your machinery does not do it properly, even then there is doubt in these programmes being successful. For this there is imperative need to improve your machinery.

Shri Poojary has brought about improvement in the banking sector. I would like to request him to kindly make the banking sector very liberal towards the poverty alleviating programmes.

Whereas in the field of social justice, poverty alleviating programme play an important role, you should make provisions in the Budget for ending the regional disparities also. In this Budget very less provision has been made for this purpose and specially Uttar Pradesh is being neglected continuously. I want to mention that in the industrial sector per capita investment is just Rs. 18 whereas in Maharashtra it is Rs. 1720, in Gujarat it is Rs. 1660, in Haryana it is Rs. 1383, in Punjab it is Rs. 1464 and in Tamilnadu it is Rs. 1041. In a large State like Uttar Pradesh where 16 per cent of the country's total population resides and which has 10 per cent area of the total area of the country, if you do not make special provision for it, you will not be able to bring it at par with Maharashtra and Tamilnadu even in next three or four plans. I would urge upon you that the institutions like IDBI, IFCI, ICICI, IRBI, NABARD, NCDC etc. should be directed that they should invest maximum in Uttar Pradesh. I can challenge it that keeping in view the vastness of this State the desired amount, has not been invested in it. I would like to submit that very few foreign aided projects have been allocated to this State during the last 10 to 15 years. Therefore I would like to request that many foreign

[Shri Harish Rawat]

aided projects to be set up in Uttar Pradesh which are lying pending for sanction should be cleared by the Central Government and funds should be provided for them.

I feel personally indebted to the hon. Minister that he has introduced 'fruit insurance scheme' this year. I would urge that this scheme should be enforced in apple growing areas also.

MR. CHAIRMAN : You may conclude now.

SHRI HARISH RAWAT : I will conclude in a minute. The fruit insurance scheme should, first of all, be implemented in all the apple growing areas. In conclusion I would say that the Plan outlay for the hill areas has been reduced this year, which should be increased. With these words I conclude.

[English]

SHRI K. P. UNNIKRISHNAN (Badagara) : Mr. Chairman, Sir, we are almost at the fag-end of the long debate and I shall take full cognizance of your concern for time.

In spite of the deliberate attempt made to downgrade the importance of the annual Budget in the name of that newfound gospel of 'Long-Term Fiscal Policy' and fiddling around with the levels of administered prices, the Union Budget remains an important event and a powerful instrument of fiscal policy.

The Budget provides us an opportunity in this House not only to take a close look at the revenue and expenditure of the Government and fiscal policies but also to have a look at our economy, its prospects and the milieu in which it is framed and to which it responds and above all, the social and economic objectives of the Party in power. It also includes if I may say so, an external milieu consisting of factors dominating the world economy and our own interactions with the international forces—political, economic and social—and tech-

nological forces. The Budget, I presume, would also or ought to reflect concerns of the Government and the Party in power and the broad interests of the 780 million people, majority of whom are, despite protestations to the contrary, and many claims to the contrary and continuous fiddling with statistics, still steeped in abject poverty, filth, misery and squalor.

I have been looking for a design and purpose in this Budget, may be nostalgically as in the days of Jawaharlal Nehru when he summoned us to hard labour, to fulfil our trust with destiny, and a perspective followed to a limited extent, by Shrimati Indira Gandhi.

This Budget as well as the various policy pronouncements and actions of this Government during the last one year or the last 14 months reveal no such design and purpose. But there is only, I request to say, slogan-mongering or cliché-mongering, like the one on 21st century. I presume, when you talk of the 21st century, you are not just talking about the inexorable movement of calendar or march of events, to which we become helpless spectators. The question is what are the perceptible instruments we are forging and what policy framework is being laid down to take India out of the siege that it finds itself in, out of the abysmal poverty and misery, enveloping not only an ancient civilisation and a moribund and defiant society but also a modern nation with tremendous resources and possibilities. Therefore, this exercise of budget-making, if it is not restricted to a book-keepers exercise, has to be looked at from these broad objectives and concerns and not merely from the angle of the interests of a small microscopic minority of 3 or 4 million tax payers, a few giant monopolies and tax-evading gentries of industry and agriculture, parasites of all kinds who breed in the context of our own chosen path of development.

Before I go to other details, I would like to ask you and the House to look at the external environment and milieu of our developmental processes.

During the period between 1950 and 1980, our national output was up by 2.8% and agriculture expanded by two times and industrial output 5 times. Per capita income has risen by 43% during the last 30 years and population by 90%. But the private consumption, it is a very important, indicator has risen only by 16% or a measly 0.4% per year.

How have we fared among the comity of nations during these 30 years? Have we gained a lead over the third world countries, particularly the non-aligned countries in economic field, let us not compare ourselves with our own colonial past. We have unfortunately fallen behind the rest of the world in most important economic indicators and criteria of output in agriculture, industry and foreign trade despite the protestations to the contrary. Our share in world output has fallen from 2% in 1950 to only 1.4% in 1980 and in the share of the third world countries from 10% in 1950 to a bare 5.4% in 1980.

Despite the green revolution and our claims on the agricultural front, undoubtedly we have achieved a great deal in restricted areas. Our share in agriculture has fallen from 11% in 1960 to 9% in 1980 and among the third world countries from 25% to 17%.

In industrial output we have fallen from 1.2% to 0.5%, from 12% to a mere 3% of the third world output.

In Industry we have been advertised or projected as occupying the tenth place but, according to U.N. statistics, in the world league of industrial countries, surprisingly we have gone down to 27th place for 1984.

Not to speak of China but even Mexico and Brazil and small countries like Rumania have gone ahead of us !

Our share has fallen in foreign trade continuously. We had in the 19th century 1/10 of share of the world trade which came down by the beginning of this century to 7.8%. When we became independent, we still have 2.5% in the world trade which by 1980 has fallen to less than (0.50) 1/2%.

China outproduced India by five times in 1980 in oil, gas, coal and 3 to 5 times in cement and steel, fertilisers and chemicals and even bicycles and 1. 1/2 to 3 times in electricity, aluminium, cotton, cotton fabrics, cereals and machine tools and they were way behind by 1980 and by 1950 when the great journey of Chinese revolution began and we had passed third anniversary of independence, we were ahead in all these commodities.

Therefore, it is important to remember that we have an arable land of [50 million acres and we produce 150 million tonnes of foodgrains whereas with the same arable land, they have succeeded in producing 300 million tonnes. This is a crucial point. I am not going into the question of life expectancy which has gone up in China to 64 years whereas we still remain in 5]. In adult literacy, it is 66% as against 30%.

Modernisation and efficiency unfortunately here for the last one year has been equated with liberalisation and not with outward thrust of movements of social forces which can be forged, which can be used as instruments, to change the socio-economic climate of the country. This is important because we have continuously to keep up the date with 21st century. We have to keep up this date with 21st century, whoever may be in power. We cannot do so with the existing instruments of policy as has been revealed in this Budget which fights shy of resource mobilisation and which adopts soft options and is bereft of any kind of social philosophy, and has nothing to offer to the masses to take them powerful instruments for a social and technological change.

I have no doubt that modernisation is absolutely necessary for our economic progress and we cannot modernise without updating our technology. But the point I want to pose is : can you do it by abandoning the goals that we had set for ourselves during the last three decades? Ever since he presented his last budget I have been trying to peep into the mind of the Finance Minister who is a good friend of mine and his social philosophy, if he has one. Where does he and his mentor, the Prime Minister, stand? Does he stand by the commitments of the Indian National Congress from the days of the Swadeshi Movement to Karachi

[Shri K.P. Unnikrishnan]

and Lucknow Congress as before independence, goals of self-reliance, that is transforming the economy to an independent one, to one of acquiring capabilities of its own and raising the standards of living and growth with social justice? The answer is an emphatic 'No'.

I had an occasion to call his budget of last year as Swatantra-oriented. In an interview with the *Business Standard* on 30th April, 1985, soon after the Budget last year, the Finance Minister had said :

"They (the anti-poverty programmes) are only a salve to the conscience. They prevent social tensions from reaching a boiling point. Ultimately, the problem of poverty and unemployment has to be overcome through higher growth rates."

But, confronted with the political reality of a deepening discontent and the uproar among the masses over his own actions, the Finance Minister has relented and in an extra-ordinary attempt at cover up said—I quote from his budget speech :

"These (anti-poverty) programmes are at the forefront of our assault on poverty and for many millions they represent the difference between the despair of destitution and the hope of gainful employment."

So a 'salve to the conscience' in 1985 it has come to the 'forefront of our assault on poverty' in 1986. Whom should I believe? VP Singh of 1985 or 1986 or is it just a mindless government? How does he explain these contradictions inherent in the logic of the policy of this government which talks of a directional change? The basic assumption behind the changes in the taxation structure that he introduced last year and which he has not changed and which are reflected in the Long Term Fiscal Policy was that money collected as taxes from a small microscopic minority of individuals and corporate entities and put in the coffers of the exchequer is unproductive and if it is passed on to private hands, it can turn productive! Simultaneously, step by step, he was pushing the country towards

the logic of privatisation of economy. Now there are talks even about handling over public sector projects like the Hindustan Photo Films to Birlas. I am sure Mr. Prabhu knows about it and he will have more to say about it. There are many more examples. I know the time at my disposal is very limited. So I am not going into details. Rajiv's Government wanted to create little islands of excellence in production and technology. That it would be in industries which are socially irrelevant, irrelevant to our social and economic needs and future needs did not matter to him. These very policies have created a climate of crisis and a crisis of confidence. Confronted with the political and social realities the Finance Minister has struck a tactical retreat from the suicidal course he had set for the nation last year. A small tactical retreat. And Mr. Pelkhiwala' for whom he was 'nicea. good boy' last year has become a 'dishonest sinner'.

What are the realities? Despite his claims on the wholesale price index behaviour, prices are rising. The uncovered deficit for 1985-86 which was claimed to be Rs. 3316 crores last year has turned out to be Rs. 4490 crores, a record-breaking and unprecedented increase of 34%.

14.00 hrs.

The 1986-87 deficit is placed at Rs. 3650 crores. If it is judged by the norms of the Chakrovorthy Committee's findings which they have accepted the deficit be anywhere around Rs. 6000 crores or more. Our trade gap is widening and the crisis of balance of payments is engulfing us. The remittances can dwindle.

Sir, yet another unique feature of his budget—making exercise is ever—increasing budgetary reliance on internal market borrowings from the banking system or concealed from deficit financing which has again gone up from Rs. 696 crores in 1974-75 to Rs. 4591 crores in 1984-85 and Rs. 5300 crores in 1986-87 financing about 20 per cent of our aggregate development expenditure. Its implication on expansion of money supply are clear enough. More damaging is its impact on interest payments

which has swollen this year to Rs. 8750 crores. And the excess interest payments over interest receipts would be, according to my calculation—Rs. 3229 crores in 1986-87 from last years Rs. 2600 crores. In one year alone there is a difference of Rs. 629 crores.

MR. CHAIRMAN : Please conclude.

SHRI K. P. UNNIKRISHNAN : Sir, I am making some important and relevant points.

MR. CHAIRMAN : Time is very little. You have already taken 15 minutes. I have given you more time.

SHRI K. P. UNNIKRISHNAN : Therefore, here again the crux of the problem is of policy direction. You cannot improve the situation by following a policy of indiscriminate imports. Here I must tell you what the Finance Minister has done. He has put the very same machine tools, which are being produced by the Hindustan Machine Tools in Bangalore and Kalamasseri in Kerala, under O.G.L. endangering their futures list. Sir, I am not going into the question of imports of automobile industries and ancillary industries and so on and ultimately to abandon the nationally accepted goals and perspectives. He has taken credit for revenue realisation. May be he has taken credit also for the Supreme Court Judgement which has helped him during the course of last year.

Before I conclude, I want to make one or two points. We have had much talk of the recent raids. I am not saying that for the moment any tax-evader or habitual tax-offender should be shown any mercy. But you cannot gain revenue only by policing the economy. In answer to a question in this House last year, they said that income tax demands enforceables from some 20 monopoly houses by way of income tax was Rs. 1274.64 crores. In this connection I want to know as to how much the Finance Minister has been able to collect during the last one year while he has been in office. Then you will know the real story. There is again in the story of massive excise evasion to the tune of hundreds of crores of rupees.

For example, I quote the Sanjay-Dalmia Group of Companies which was discussed in this House two years back. Now that gentleman has changed the name of the Company from Golden Tobacco into GTCC. Industries and he has been caught for the default of Rs. 5 crores or so.

MR. CHAIRMAN : Please conclude.

SHRI K. P. UNNIKRISHNAN : Whereas their Evasion is to the tune of hundreds of crores of rupees. I want to know as to what action you have taken against such evaders.

Sir, the policies that have been initiated already has fractured our economy. It has pushed our country to a precipice of downhill descent. The national liberation struggle of this country under the leadership of Mahatma Gandhi and the Indian National Congress was not merely for transfer of power, but for wiping out every tear from every eye for economic fulfilment—not of Tatas, Birlas, Sanjay Dalmias and the tax-evaders but for millions of our famished illiterate and unfortunate brethren. We initiated the planning process under Pandit Jawaharlal Nehru's leadership and built up a regulatory framework as a conscious effort and forged instruments for achieving our goals. These instruments are sought to be blunted, the framework dismantled and destroyed. A process of subversion of our national goals has been initiated, and unless there is a return to commitments there is no possibility that this Budget or any other Budget can save us.

SHRI R. PRABHU (Nilgiris) : Sir, I rise to support the budget proposals as presented to this august House by our hon. Finance Minister, Shri Vishwanath Pratap Singh.

The Finance Minister's role in this country is no bed of roses. He has to find the necessary resources for the maintenance expenditure and the developmental expenditure under the overall framework of the Five-Year Plan. At the same time he has to ensure the long-term stability of our economy. He has also to ensure that the rate of growth in the national income in

[Shri R. Prabhu]

various sectors like Agriculture and Industry is kept at pre-determined levels and at the same time see that there is no undue inflation in the economy. To achieve all these conflicting aims is no mean task and I should heartily congratulate the hon. Finance Minister for having done job neatly. I cannot conceive of any other Budget which has helped so many sections of the society. Every section, big or small, the rich man or the poor man, the employed or the unemployed, the man living below the poverty line or the man living above the poverty line, has benefited in some way or the other from this Budget.

The greatest measure in this Budget is the quantum jump in the allocations to anti-poverty programmes. Just now my friend, Mr. Unnikrishnan, quoted some statement from the *Business Standard* or whichever paper it was. I think, he has taken something out of context. We have a substantial jump in the allocations to anti-poverty programmes. I have the figures here, but I do not think I have the time to quote the figures. The 20—point Programme, the various rural employment programmes like the National Rural Employment Programme, the Rural Landless Employment Guarantee Programme, the Self-Employment Programme for the Educated Unemployed, are all gifts to the nation given by our late Prime Minister, beloved Shrimati Indira Gandhi. These programmes and their implementation are the best systems—approach to the eradication of poverty ever conceived by any democratic society. They provide inputs by way of primary health, education, rural infrastructure, building of roads, rural electrification, sanitation, etc., to the rural masses. This is slowly transforming the rural scene in our country, and this massive and this massive investment in primary human resources development programmes is going to benefit the generations to come. Our Prime Minister has also reaffirmed his commitment to these anti-poverty programmes by substantial allocations to these programmes in the Budget.

I would also like to remind the House that the Prime Minister on the floor of this House, while replying to the debate on the Motion of Thanks to the President for his

Address has said that he is committed to see that these programmes are more effectively implemented; he has said that he has directed that there should be a random monitoring, random sampling, at the village level and the Block level and effective changes and remedial measures should be made in implementation wherever they are required.

I have been sitting in the House for the last two or three days waiting for my chance to speak and I have been hearing complaints from all sections of the House that these programmes were not properly implemented in the Members' constituencies. Now let me make my submission: when I go round my constituency, I also find, sometimes, these measures do not really reach the people. I see a newspaper report the other day that the Committee which had been constituted some time ago headed by Mr. G.V.K. Rao had given their report recently to the Government. I request the Finance Minister to please examine this report and see what can be done to ensure that these programmes really yield results and reach the people. However, I have a few suggestions to make particularly as regards the rural employment programme, especially the National Rural Employment Programme and the Rural Landless Employment Guarantee Programme. Both these Programmes are injecting about a thousand crores into our economy. They are more as an output rather than an input to the masses. As it stands today, we have statistics that this year they will generate about three hundred million man days of employment as far as the national rural employment programmes is concerned and about 224 million man days as far as the rural landless employment guarantee programme is concerned. There should be a linkage between the money spent and the employment generated and physical assets created.

We all understand that at every village level or block level there is requirement for employment to be given and also a requirement for small school buildings, road, etc. to be built. There should be a total integration between the rural employment programmes and the IRDP programmes. I think the planning process has to be changed a little and this should be taken into account.

Statistics should necessarily come as so many million man days of employment generated and so many physical assets created because of this employment. This would be a self-check on the expenditure on these programmes.

14.12 hrs.

[MR. DEPUTY SPEAKER *in the chair*]

Our Finance Minister has said in his budget speech that one of his priorities is the strengthening of the public sector. Our Prime Minister also has re-enforced his commitment in various forums to the public sector.

This is proved in the case of one public sector of excellence in my constituency, the Hindustan Photo Films Limited about which Shri Unnikrishnan also said. The Hindustan Photo Films had entered into a collaboration agreement with Dupert, USA, for the substantial expansion of X-Ray project at Ooty. The Prime Minister has cleared this project in the public sector and has allowed it to be put up at Ooty at an expenditure of Rs. 170 crores. Even though there have been a few private parties like Shri Unnikrishnan says, who have been trying to get this project. I understand that they are delaying the implementation of this project.

SHRI S. JAIPAL REDDY : I would like to know which are the private companies.

(Interruptions)

SHRI P. KOLANDAIVELU : Why the Minister is delaying the project ?

SHRI S. JAIPAL REDDY : We understand that Birlas and others are interested in this.

SHRI N. V. N. SOMU : It is very important for Tamil Nadu Sir, it should be Tamil Nadu.

SHRI P. KOLANDAIVELU : Why should there be a Minister only for UP in the Central Cabinet ?

SHRI S. JAIPAL REDDY : This involves two principles— whether it is public sector or private sector.

(Interruptions)

MR. DEPUTY-SPEAKER : Let the Member continue his speech. Please take your seats. *(Interruptions)* You put your questions by writing to the Minister. *(Interruptions)* Don't disturb the Member. *(Interruptions)*

SHRI R. PRABHU : I don't know whether what they are saying is right. There is definitely some delay in the implementation of this project. *(Interruption)* I would request the Hon. Finance Minister to see that this project is not delayed because as you know X-Ray film is required in the hospitals of this country. If there is delay, there will be cost escalation and our hospitals will have to subsidise for all the delays and incompetence. It would also probably affect our Prime Minister's ambitious programme of "Health for all by 2000 AD."

These delays are not only confined to the Hindustan Photo Films Ltd., or my constituency, this seems to be the main bottleneck in all our public sector undertakings. There are delays in the implementation like we heard in the Question Hour today. I request the Hon. Finance Minister to see that these delays are not allowed.

We have a massive investment of Rs. 180,000 crores in the 7th Plan. If there is 10% at return on this investment, then whatever inflation we have will not be a strain on the economy.

Sir, I would request the Finance Minister to see that there is at least 10 per cent capital output ratio on any Plan investment that takes place. I am happy that the Finance Minister has given relief to small scale sector but, Sir, the small scale sector in the tea industry is left out. There are 10,000 small tea growers in my constituency in Nilgiris. They cultivate half acre to ten acres of land. I would request the hon. Minister to identify the small scale sector in the tea industry and give relief in terms of concessional excise duty and concessional credit from the banking system.

[Shri R. Prabhu]

Another one of the foremost benefit which has been given to the people of this country is the increase in the interest rates of provident fund from 10.5 per cent to 12 per cent. This will benefit nearly 30 million employees who are employed in the public sector and the private sector. I hope this induces the employees to save more in their provident fund. The Finance Minister had introduced various progressive taxation measures last year in the Budget. I do not have time to go into all those but as far as direct taxes are concerned as an inducement to savings he had increased the standard deduction of salary earners from 25 per cent to 30 per cent and also increasing the ceiling from 6000 to 10000. By this he has become very popular with the house wives. But his popularity with the house wives has been off set in his proposal for gift tax. Even though he has raised the threshold of applicability from 5000 to 20000 yet he has removed the exemption granted when you gift something to your wife or spouse. I request the Finance Minister to re-consider this and see that this exemption is not removed so that he is always popular with the house wives.

Sir, I do not have the time to go into the various other tax measures but I would like to compliment the Finance Minister in reforming indirect taxes especially introduction of MODVAT. There has been lot of criticism in the newspapers and in the House about MODVAT but I would like to tell you that this is a very progressive measure and it puts a premium on using indigenous raw-material because imports do not have this exemption which is envisaged in the MODVAT. The only thing is that it would take time for the Excise Department and Industry to understand the various procedures in the MODVAT. So, I would request the hon. Minister to consider putting data processing equipment in various Collectorates to see that MODVAT is successfully implemented

In conclusion I would like to heartily congratulate the Finance Minister for presenting a well-balanced budget with additional taxes of only Rs. 445 crores and a deficit of only Rs. 3650 crores. This is by no means an unmanageable deficit and I would like to stress again that if the Finance Minister

ensures a capital output ratio of 10 per cent on our Plan investment either in financial terms or social terms this money will be well spent and there will be a long-term stability of our economy.

[*Translation*]

SHRI HARISH RAWAT : Hindustan Photo Film should not be the monopoly of Tamil Nadu only. They should set up their units in other States also. This is what I wanted to submit to the Finance Minister.

[*English*]

SHRI R. PRABHU : From what he says it seems there is a proposal to shift.

[*Translation*]

SHRI HARISH RAWAT : It should not be the monopoly of one state only. Hindustan Photo Film should set up the Units in other states too.

[*English*]

SHRI N. V. N. SOMU : Let Mr. Tiwari be the Minister for Industry for the whole of India and not for U.P. alone.

SHRIMATI MEIRA KUMAR (Bijnor) : Sir, I am very grateful to you for giving me an opportunity to speak on the Budget. It is indeed heartening for me that my maiden speech in this august House happens to be on an extremely crucial subject.

At the very outset I would like to congratulate the Finance Minister for presenting such a futuristic budget to the nation standing on the threshold of the 21st century.

When I talk of the twenty-first century, I do not mean twenty-first century in terms of calendar, but twenty-first century in terms of progress, development and growth. I am not talking of miracles or magic wands, nor am I talking of utopia or dreams come true; I am talking of hard realities and in the context of these hard realities, under the given constraints of our economy, I repeat,

it is a futuristic budget ; it is a growth-oriented budget ; it is a forward-looking budget ; it is a very pragmatic budget, which would take the economy ahead and definitely it is a step forward in realization of a dream.

Sir, as you are aware, our budget cannot just be an exercise in book keeping ; it must essentially have the social philosophy enshrined in the Directive Principles of State Policy of our Constitution. Under the Constitution our Government has the responsibility of creating an egalitarian social order and as such the budget must, and this budget does, reflect not only the Government's concern for the millions living below the poverty line, but also its sincere efforts to improve their condition. Rapid growth of the economy coupled with deep concern for the havenots is the quintessence of this budget. The people have recognised this and have welcomed it.

The most laudable feature of the budget is the quantum jump in allocation of the anti-poverty programmes. The anti-poverty programmes like IRDP, NREP, RLEGP have got the highest ever allocation of Rs. 1450 crores in any single year which is 65 per cent higher than what was proposed in the 7th Plan for the year 1986-87. Three new schemes for the poor have been launched—Indira Gandhi Grih Nirman Yojana for the scheduled castes and scheduled tribes and freed bonded labour with an increased outlay of Rs. 125 crores as against Rs. 100 crores earlier ; Subsidised Bank Loan scheme for self-employed urban poor, like cartpuller, cobbler, barber, hawker etc. ; and an Accident Insurance Scheme for municipal sweepers and railway porters. Also, there is a scheme for distribution of foodgrains at concessional rates to the people under ITDP. The existing schemes like personal accident insurance scheme for poor families ; nutrition programme for young children, expectant and nursing mothers ; and self-employment scheme for educated unemployed youth have been augmented.

In addition to these wide ranging relief to the poor and the common man, 20-Point Programme has been provided Rs. 1000 crores more than last year.

By no stretch of imagination, a budget having such items can be called pro-rich and anti-poor. It makes so many provisions for the common man. Necessities of life like kerosene and wood-stoves, ordinary footwear, life saving drugs, etc. will be free from the excise burden. Subsidies on important items of common consumption like rice, wheat, kerosene, ordinary handloom and mill-made cloth will continue. There would be income tax concession on medical expenses of salary earners and self-employed persons. There would be a new mutual fund set up for the small investors.

Farmers have not been lost sight of. Rs. 1950 crores have been provided for subsidy on fertilizer. Comprehensive Crop Insurance Scheme has been extended to fruit cultivation. Excise concession has been given to oils from oilseed, rice bran, cottonseed, *mahuwa*, etc. Cess on cotton, copra and vegetable oils has been abolished and unmanufactured tobacco has been exempted from export duty. Most significant is the introduction of the new Long Term Agricultural Price Policy which will help the farmer in deciding the cropping pattern and which would lead to a more balanced growth of the agricultural sector. 22 per cent of the Annual Plan Outlay of the Centre, States and Union Territories is for agriculture, rural development, irrigation and flood control.

All these measures plus strengthening of the public sector, small scale industries sector and emphasis on self-reliance benefit the common man. Relief has been given to lower level income tax payer and duty on luxury goods has been raised, thus throwing the burden on the affluent sections. Drive against tax evasion too is aimed at collecting from the rich to provide for the poor. The main thrust of the budget, without an iota of doubt, is alleviation of poverty and relief to common man.

As for its being growth oriented, the Long Term Fiscal Policy, Long Term Agricultural Price Policy, introduction of MODVAT, intensive tax reforms, strengthening of domestic industry, boosting of exports are some of the measures which

[Shrimati Meira Kumar]

would accelerate the growth of the economy and are bound to take it forward at a considerably fast pace.

In the end, I would like to make a few suggestions for the consideration of the Finance Minister. My first point is about the implementation of various anti-poverty programmes. It is by now common knowledge that the implementation of these programmes is faulty and the benefits of the anti-poverty programmes do not percolate to the real poor in full measure. They get absorbed else where along the way and the real beneficiary is left quite high and dry. To make these anti-poverty programmes a success, it is necessary that strict corresponding measures for their implementation are chalked out and rigorously applied.

I would also draw the attention of the Finance Minister to the various policies and programmes for Scheduled Castes and Scheduled Tribes, which have been made to compensate for the social and economic handicap from which they suffer. There are reservations in services and in academic institutions. There are housing schemes for them and there are also grants and similar other measures. What I would like to draw his attention to is that there should be effective steps to ensure that these facilities, specially the reservation quota in services, are actually made available to the target group.

I would also like to make an important suggestion about the housing schemes for the Scheduled Casts and Scheduled Tribes. It is noticed that generally, the houses are constructed in separate colonies which are located at the periphery of a village or a town. Now, this tendency must be checked and their houses should be so located as to allow free and easy inter-mingling of these people with the rest.

My next point is about education. Ignorance is a cancer which is eating into the very vitals of our society. Ignorance or uncultivated mind. I think is worse curse than poverty and must be fought at war footing. I find that in the Plan outlay, there is an increase of 59 per cent for education

but in actual terms it gets a much smaller share of Rs. 352 crores as compared to Rs. 2650 crores for Railways, Rs. 2575 crores for power, and Rs. 2832 for Rural Development, etc. Sir, this amount of Rs. 352 crores is not adequate for tackling a problem of this serious a nature and magnitude. The amount should be raised and the number of model school which have been envisaged should be increased. Only then can we hope to fight winning battle against ignorance.

Finally, I come to my constituency of Bijnor. As you are aware, my acquaintance with Bijnor is very recent. I have been associated with it for barely four months. But during this period, I have travelled the length and breadth of the place, trying to study its problems and difficulties. I am greatly distressed at the backwardness of the area. The place has no major industry. There are no small scale or cottage industries either. The sugarcane crushers which had mushroomed in large numbers, years ago and which were the major source of employment are fast closing down. Consequently, unemployment is rampant with all its accompanying vices. There is diffidence. There is lethargy. There is frustration. There is demoralisation. There is a shortage of power supply. There is shortage of water. The infrastructure is wanting. The condition is really deplorable. I think, in fact I am fully convinced that the problem can be solved to a great extent and the doors of progress and prosperity can be thrown open, if we declare this area an industrially backward region. I would request that my constituency of Bijnor is declared industrially backward area and accordingly provisions are made for it.

I once again congratulate the Finance Minister for the Budget. Under the able guidance of the Prime Minister, he has made a success of an uphill task.

With these words, I support the Budget.

I also thank you, Sir, for your indulgence.

SHRI P. R. KUMARAMANGALAM (Salem): Mr. Deputy Speaker, Sir, may I at the outset state that this Budget is definitely a Budget, that has taken into

consideration to a large extent the feelings of the underdogs and the down-trodden and even the workingclass. Last year, famous Income-Tax Practitioner, I well known to be very soft on private industry and called an eminent jurist, Shri Nani Palkiwala had welcomed the Budget from the roof-tops saying that it is one of the Budgets that were there. He went on record to say that he had many criteria on the basis of which he had analyzed the budgets, and said that last year's budget was very very good ; and, therefore, the Opposition, tongue-in cheek came forward to say that last year's budget was nearly this.

However, the very same Nani Palkhivala, while talking on this year's budget, has said suddenly that the budget is unconstitutional, in the sense that the new tax provisions which have been brought in and enforced to curb black money, are unconstitutional, and said that the State was becoming a Police State, as the State had ruthlessly conducted raids against big business houses for Excise Violations etc.

He does not talk about the Budget seriously. I think he did not believe what the Finance Minister last time said on the floor of the House when he presented his budget, that the Government was going to, in a very clear manner, scrupulously and ruthlessly, curb black money and bring to book the evaders.

I wish to submit that there is really no major difference between last year's budget and this year's budget, except that the Finance Minister gave a longer speech, clarifying each point in detail and bringing out that this year we have in fact allocated more money than the 7th Plan sought for, for the poor and for anti-poverty programmes.

I am not surprised at the disillusionment of the elite. Originally, they thought that when concessions were given to them, they would make use of the concessions and make them while the Sun shone, with no responsibility whatsoever to the nation or national interests. They thought they could evade all laws and continue in that stream.

But I think last year's performance of this Government has very categorically shown that no one is above the rule of law. If you violate the law, if you indulge in malpractices, if you are part of the black money system, you will have to face the long arm of the law, which is hard and you shall not be allowed to get away with it, whatever be your connections, whatever be your influence. That stand has not changed. In fact, now it looks like the elite has suddenly believed that this Government means business. And, therefore, they are very very upset by that portion of the speech which is almost similar to what it was last year, on the drive against tax evasion : the steps to be taken, the formation of procedures, the ensuring that no business house however big or small, no individual however big or small, if he violates the law and indulges in black money practice, he is going to face it and face it very badly.

The fact is that in addition to the massive 65% Plan outlay for anti-poverty programmes, this Budget has also looked to the interests of the farmers, as many earlier speakers had said. More than that, it has kept in mind national interests, and has made it by means of motivation, by means of incentives : the demand for oil from rice bran, oilcakes, cotton seed etc. will go up. In fact, the poor farmer who produces this product is going to be benefitted in a major way, because of this incentives that have been given to vegetable oil industry, in the form of excise duty reduction when they use these as raw materials.

Sir, as you know I have always been fighting for the working class.

For the first time, I think, I can go on record and say that so far as the salaried class is concerned, the Finance Minister has come forward and has given something to them as a class, has given them 12 per cent interest on their provident fund which they never saw, has given them a higher standard deduction in the salary income, but, more than anything, his removal of ceiling on Rs. 400 on house rent allowance for exemption from income tax is one of the largest benefits that the working class and the salaried employees have received, because with housing going up day by day and the house rent allowance having naturally to go up

[Shri P.R. Kumaramangalam]

day by day, it is totally unfair to call it as an income because it is only a normal facility that is being compensated.

More than anything, I would like to go on record to say that the budget is a wonderful budget, but, however, its implementation is a matter of question which we have to consider seriously. The reason why I am say it is because I am not the only speaker, let alone from this side of the House, but there are other speakers from other side of the House, who have said categorically that anti-poverty Programmes are good programmes. But the question is: Is the money reaching the common man ; if it is not reaching the common man, why not ? It is not only the question of the Minister showing sympath and understanding to the problems of the working class and understanding the problems of the poor, but, unfortunately, the bureaucracy, in fact, used every weapon that they had in their hand to scuttle the policy and throw irritants of various types in the way of workers, the down-trodden and the poor ; it is the bureaucracy, if I may humbly submit, that has become a bane of national economy. They not only draw heavily on our exchequer, not only in the form of salary, but in the form of perquisites which they get both legally and illegally ; they, on top of it, do everything to make themselves important by standing in the way of implementation of any major programmes.

I would like to give a few examples. The Finance Minister announced interim relief for Central Government Employees, not once but twice. Then the public sector asked for it saying that they were also in the same will of pay. When the Pay Commission Report comes, we will also get revision, but public enterprises consisting of senior bureaucrats said, nothing doing ; we will not give interim relief. But the Supreme Court had to intervene and then it was given to them. Is it not an unfortunate situation ? Similarly, the organisations which are undertakings, which may not be called public sector, also face the same state of affairs.

Unfortunately, a time has come when I think this government will and should face up and tell the bureaucracy, either you move in tune with the common man or otherwise there will be no place for you. The government expects to collect Rs. 37,000 crores from the public sector surplus for the Seventh Five Year Plan. Do they think that they can do it with the bureaucracy sitting in the way having scuttled their every project when the investment was required at a particular time for the growth of the budget ? Did they not delay the investment ; coming in the way ? Did they also not put their foot forward and say, no, this has to go to an investment committee and then to a committee of Ministers and then to the Cabinet ? For a small amount of money many public sector undertakings' projects are delayed. I would like to go on record and request the Finance Minister to possibly tell the Prime Ministers and other Minister in the Cabinet that if they really want to have this Rs. 37 000 crores for the Seventh Five Year Plan, the only way they can get is that they should take the working class into confidence and not bureaucrats.

The budget is a very good budget but its implementation is a matter of detail but very important because the nation depends on it.

We are going through an economic crisis and in any humble opinion, though the Opposition may not admit it—or would admit it when they like to admit it —we are passing through an economic crisis. We are going through an economic crisis, and it is time we got rid of the red tape, we got rid of the people coming in our way and we got rid of the people obstructing us, but respect the working classes who are really the people who are giving their sweat and blood for the good of the country.

I congratulate the hon. Finance Minister for this Budget and I hope and I am sure, in fact, that if he and his Cabinet colleagues come forward and put their best foot forward, then we will be able to take this country forward, competing with and make it as well as those nations which have developed.

Still there are one or two points which I want to deal with, before I conclude. One is the report of the Pay Commission has not come out. Though the Finance Minister had assured that the Government would implement the report from the 31st March, still we have not yet even seen the report. I would request the hon. Minister to do his best to see that the report is released immediately.

Secondly the increase in the DTC fares has affected the Central Government employees and the private bus operators have also hiked their bus fares. The Central Government employees and also the private employees also have been affected by this. I would request the hon. Minister to consider a suggestion that the Central Government employees may be given some concession in this, because they cannot afford this load of sudden price hike.

MR. DEPUTY-SPEAKER : Shri A.J.V.B. Maheswara Rao.

[*Translation*]

*SHRI A.J.V.B. MAHESWARA RAO (Amalapuram) : Mr. Deputy Speaker, Sir, the budget for the year 1986-87 is once again a deficit budget. The anticipated deficit is Rs. 3650 crores. Many things have been said about the various programmes that are going to be taken up during the year for the betterment of the common people, especially the downtrodden. It is only an attempt to hood-wink the people and there is really nothing in this budget for the common-people. The grants and allocation may appear to be large, but much of this amount in fact, does not reach the people. The benefits do not really percolate down to the poor. I am afraid that the amount allocated under various programmes for this year also may not go to the people for whom it is meant.

This year the amount allocated for various social welfare measures is more. Allocating more money is not sufficient. It must be seen to it that the amount is properly spent and the people derive benefit

*The Speech was Originally delivered in Telugu.

out of it. There are various programmes like NREP, RLGP etc. It is becoming more and more difficult to implement these programmes in rural areas. The programmes which were undertaken during 1984-85 and 1985-86 one have not shown any improvement. These programmes continue to remain on paper only. Implementation of these programmes is tardy. Now, the Government have allocated more money for the social welfare. I suggest that the Government constitute committees comprising both officials and non-officials to oversee that the amount is properly spent on programmes that are going to be implemented this year. I hope the Hon'ble Minister would agree to this suggestion.

Indira Gandhi Greh Nirman Yojna, a programme to construct houses for the poor and other weaker sections of the society is going to be taken up this year. This is not a new programme. During the tenure of the former Prime Minister Shrimati Indira Gandhi, one such programme to build the houses for poor was taken up. With an amount ranging from Rs. 500 to Rs. 4000 per house was spent and houses were constructed. But the houses were not strong enough and many houses were washed away during rains. This should serve as a lesson. The Houses that you are going to build must be strong and durable. This programme should have to be implemented with sincerity. Sir, in my state of Andhra Pradesh, under the stewardship of our beloved Chief Minister Shri N.T. Rama Rao one such programme is already being implemented now. Strong and permanent houses are being constructed with the investment of Rs. 9000 per house. It has proved to be a great success. It is better, if the Central Government emulates that example while constructing house for the poor under Indira Gandhi Avas Yojna Programme.

Sir, the floods are a recurring phenomenon. During the time of floods, the bunds breach and get damaged. The construction of bunds takes place after the floods recede. The Lanka Islands in my area usually are being affected by floods. Many irregularities take place during the construction work. Money for the construction is pocketed by the

[Shri A.J.V.B. Maheswara Rao]

officials and the bunds thus constructed will be very weak and thus will not be capable of withstanding the flood. It is only the poor who will suffer again. Hence steps should be taken to see that the amount spent on flood control work is spent properly. Flood relief programmes have to be implemented with sincerity if the people are to be really benefitted by it. Otherwise the amount will go waste and people will continue to suffer. Sir, in this connection, I want to say that justice has not been done while granting money under flood relief programmes to my State. Also the floods was away the standing crops mostly of the poor people and hence the amount extended to them has to be increased.

Sir, in last year's budget the price of pan masala was raised but subsequently withdrawn on popular demand. Now, the Government proposes to increase the price of snuff which is mostly used by the common people. It is not proper and I request the Hon'ble Minister not to tax the snuff and thus avoid the increase in the price of snuff.

Sir, Banks allow a loan upto Rs. 2500/- without any security. This is one of their programmes to help the poor especially in the rural areas. But Sir, this programme is not being implemented properly. The rural poor find it extremely difficult to get the loans from the banks. In many instances the poor were not allowed to enter the bank premises. The Hon'ble Minister should see that the poor does not face any difficulty in getting loans. Similarly under another programme, the Govt. sanctions loan upto Rs. 25000 for the unemployed youth. This programme is also not being implemented properly. Sir, in my constituency there are many cases where the youth who were denied the loan even after getting sanction letters. These unemployed were neither given money nor material to stand on their own legs. I request the hon. Minister to look into this matter and see that at least those who produce sanction letters gets the loan without any delay.

The Government increased the prices of Petrol and diesel. Sir, in Madras, Pallavan transport made an attempt to run the

vehicles on gas. The Government should make an attempt to popularise that method. It will be more useful for the common man if the motorvehicles are run with LPG. Even if the prices of petrol and diesel go up, it will not affect the common man much.

Primary Health Centres and other small Hospitals in our rural areas are not functioning well at present. Doctors refuse to work in the rural areas. As a result, the rural people are denied of medical facilities. Hence more grants should be allocated for Health Department so that more benefits are given to the doctors etc. That way the Government can induce the doctors to work in rural areas.

Sir, the Hill area Development programmes are being implemented in various areas. But it is unfortunate that the Hill Area development corporation has not identified any area in my State as an Hill area. Nearly 30% of the population mostly SCs and STs live in and around the Hilly regions in our State. Yet no attempt was made to identify these areas as Hilly areas. I request the Government to identify immediately various hilly areas located in my State and extend all the programmes meant for their development.

My Constituency is almost an island. It has no access to other parts, as it is totally cut off from the land routes. So it is necessary to construct bridges across river Godavari at Kotipalli and Kakinada. If these bridges are constructed the farmers in this area will get access to markets in Vijayawada and Kakinada where they can find a market to their produce. The people will get much needed transport facilities. So I request the Hon. Minister to take up the construction of these bridges at least during the Seventh Plan.

My constituency is a thickly populated area and consists of 10 lakh people. But they have no T.V. facility. 80% of this population are farmers. The number of students is also very high. So a T.V. relay centre should be located in my constituency to provide T.V. facility. I hope steps would be taken to locate T.V. relay centre in my constituency soon. It will prove beneficial both to farmers and students.

Amalapuram has no S.T.D. facility at present. Since we have no easy access to other towns nearby, it is very much necessary for the people in this town to have S.T.D. facility. I request the Hon. Minister to provide S T. D. facility to Amalapuram as early as possible.

Sir, thanking you for giving me this opportunity, I conclude my speech.

*SHRI V. KRISHNA RAO (Chikballapur): Mr. Deputy Speaker Sir, the budget for the year 1986-87 is the budget of the poor people of this country. The Mair objective of this budget is to ameliorate the conditions of the poor masses and to help the middle class people. I am very happy to commend this budget and I wholeheartedly welcome it.

This year more money has been allocated than the previous year for the upliftment of the people who are below the poverty line. This measure is welcome and I congratulate the hon. Finance Minister for this.

Various programmes like IRDP, RLEGP, NREP have to be provided more money and they should be implemented very strictly.

Indira Gandhi Avas Yojana has come as a boon to the down trodden for providing them houses. I am glad that our Government is going ahead with the process of rooting out poverty from this country. Our hon. State Finance Minister Shri Janardhana Poojary has toured throughout the country and held more than 5000 loan melas to distribute money to the poorest people. I am grateful to him and I commend his services.

Agriculture must be given more importance as is given to industries. Here I would like to cite an example of USA. There the prices are fixed in advance every year before the agriculturists go ahead with the cultivation of crops. But here in our country at the time of harvest the prices of agricultural produce go down very much. This system should not be allowed to

continue. Experts have to be appointed by the Government to fix the prices of agricultural produce well in advance so that the farmers can get good return. Then only the farmer's financial position can improve. I am happy that sufficient encouragement has been given in this budget for the development of small scale industries.

More funds have to be allocated for the rural development programmes. I urge upon the Finance Minister to provide job to at least one person in each family in the rural areas.

The fear of population explosion is there throughout the country. Our country has the second biggest population in the world. All the plans would go waste if the population continues to increase. It is like pouring milk on the ant hills. The Government should make it compulsory for all couples to have only two children.

The interest rate on GPF has been raised to 12%. I want that the interest rate on savings bank account should be raised from 5% to 8%. The interest of 8% per annum on one year fixed deposit should be raised to 10%. The standard deduction for income tax purposes has been raised from Rs. 6000 to Rs. 10,000. But this has not benefited the salaried class because of steep rise in the price of essential commodities. I therefore, suggest that the minimum exemption limit should be raised from Rs. 18,000 to Rs. 25,000.

Karnataka is suffering from unprecedented drought continuously for the past 4 years. The news line, TV report quoted the Chief Minister of Karnataka saying that the fodder for cattle is being procured from Punjab Haryana and UP. The drought relief assistance should also be treated as grant and not as advance plan assistance. For floods you give adhoc grant. Rural areas of my State are facing the problem of drinking water. As the State is in the jaws of severe drought there is no water even to bath during our important festivals like Ugadi. In Bagepalli in my constituency more than one third of the population have migrated to different places. These are only empty houses. Sir, if you can kindly come

*The speech was originally delivered in Kannada.

[Shri V. Krishna Rao]

with me I can show you the pathetic condition that is prevailing in my constituency. After one month I am afraid that people in my constituency may not get even a cup of water to drink.

Every year we come here with fresh demands for drought relief programmes. Hence I request the hon Minister to take this problem seriously and to come forward with permanent solution. The projects like Upper Bhadra, Upper Tunga, Avinashni have to be completed very soon. These projects can supply water for irrigation to about 15 to 20 lakhs of acres. This would enable one crore and 31 lakhs of people to earn their bread and this credit would go to our hon. Government. Therefore, I humbly request our Finance Minister to allocate more funds for irrigation purposes.

Regarding education I do not want to go into details. Our Government has already taken steps to refrom and to improve the educational system in our country. I welcome the new education policy that has been introduced by our Government.

This budget has been hailed by the press and by the people all over the country. I am sure that this budget would succeed in its objective of removing poverty from country. I congratulate our hon. Finance Minister for bringing such a well balanced budget. Once again I welcome it.

I thank you for giving me a chance to place my views about this budget and with these words I conclude my speech.

SHRI ZAINUL BASHER (Ghazipur) :
Mr. Deputy Speaker, Sir, this is the biggest step so far taken for alleviation of poverty. Therefore, we heartily welcome it.

Mr. Deputy Speaker, Sir, last year we had criticised the Budget presented by the hon. Finance Minister, because according to my views that Budget was a budget meant for the rich. But this time I am praising him. In the Budget which he has presented this year, he has not only made up for the shortcomings of the last year, it is in real sense a Budget for the poor. More funds

have been provided for the poverty alleviating programme. It is a very commendable step. I would go so far in saying that it is quite a bold step. So far no Finance Minister has made so much provision for the poor people of the country as has been provided this year. In comparison to the last year, allocation of 65 percent more funds for the poverty alleviating programme is a record in itself.

Sir, whatever money is provided for the poverty removal, it will be meaningful only when it is spent properly on those programmes. I am not the first person to say this. A large number of Members of this House have been complaining that the programmes relating to abolition of poverty are not being properly implemented and 50 percent of the money provided for these programmes by the Government is not properly spent on them. Even 50 percent of the amount does not reach the eligible persons. Our Finance Minister is worried to mobilise resources. Perhaps this is the reason that he has increased the prices of the petroleum products even at the cost of becoming unpopular. Thereby the administered prices of these products have been increased. Because of this concern, he has taken this step. But I can say that if the poverty alleviating programmes are properly implemented, he need not have any worry then. The results which we are seeing today can be doubled in that situation. Therefore, the utility and positiveness of the resources made available for the poverty alleviation programmes is only when a better way is found out to implement. The money meant for the poor should reach them in proper quantity. Only then these programmes could be called successful. One cannot evaluate the success of any programme on the basis of the papers and records submitted to the Government. The success of any programme can be assessed in field. Shri Poojary gets the records and details of achievements from the banks here itself. But I will praise Shri Poojary that he goes to the field area also and himself sees as to what is the difference between the paper and report figures and the actual achievements. Similar is the position regarding implementing the poverty alleviating programmes. Therefore, some method should be adopted, some concrete step should

be taken by which the representatives are also involved. I am sorry to say that though we give sanction for crores of rupees by raising our hands for the programmes relating to poverty alleviation, but we are not involved when it comes to using that money in our areas. We provide the money for these programmes, but we have nothing to do with that money when we go to our areas. We cannot watch as to how that money is being utilised and if it is being misutilised, we have no right to stop its misuse except that we can write to the Finance Minister Rural Development Minister and the Chief Minister and these letters meet the same fate as others letters of this sort. Therefore, unless the Hon. Prime Minister takes some concrete measures, we cannot achieve total success. Unless in the manner in which the hon. Minister is looking after the work of the banks, poverty alleviation programmes are also looked after and evaluated in the field and the representatives are not vested with the powers, these programmes cannot be properly implemented. These programmes are ours, these are based on our policies and principles, we have formulated them and we have to see their results. The bureaucrats cannot have that affection, aspiration and dedication for these programmes as the representatives can have. You have to pay attention towards this.

Secondly I would like to say something about the Public Sector. Few days back under 'Janavani' programme on television, our Finance Minister had said that to raise the resources, there were only two alternatives, firstly that our public sector might function well and contribute to our national income and if it is not done, resources could not be raised through more taxes, and there was only petroleum sector where prices could be raised to raise more funds. Sir, if Public sector is not functioning properly, who is responsible for this? Why Public Sector is not working properly and, why serious attention is not given towards it? Today, our Public sector is incurring losses worth crores of rupees. If the Public Sector starts behaving properly and fetches adequate income, many of our difficulties can be overcome and the rising prices can be reduced. Since you have rung the bell, I would raise only one point about my area.

I would have been very happy, had the hon. Finance Minister been present here. I hope Shri Poojaryji would convey my point to the hon. Finance Minister because it relates to his announcement. When the Finance Minister was the Chief Minister of Uttar Pradesh, Shri Tiwari was the Minister of Industry at the Centre. A Steel Fabricating Plan was announced to be set up in our area. The announcement was made by Shri Vishwanath Pratap Singh. Thereafter a joint meeting of the Finance Minister, Industry Minister, Planning Minister and Steel Minister was held in which this proposal was approved and an amount of Rs. one crore was also allocated, but the work on this project is yet to be taken up. I wrote a letter to the Minister of Steel, Shri Pant who has replied that due to financial constraints, this project cannot be taken up during the Seventh Five Year Plan. The State Government had announced this project only after it was approved by the five Union Ministers. The announcement came from no less a person than the present Minister of Finance. Since, he is holding the Finance portfolio now, I think, the financial constraint would not be allowed to come in the way of this project. I hope, Shri Poojaryji will convey my point to the Minister of Finance with the request that necessary funds for the Steel Fabricating Plant approved in Ghazipur district of Uttar Pradesh may kindly be made available during the Seventh Five Year Plan.

[English]

DR. A. K. PATEL (Mehsana): Sir, I thank you very much for giving me an opportunity to express my views about the Budget. I would say that this Budget is a Supplementary Budget. An amount of Rs. 21 crores only is by way of direct taxes and Rs. 445 crores is by way of indirect taxes. That is why, I consider this Budget to be a Supplementary Budget.

It has some unconstitutional features. The right of privacy is violated by entering the house of assessee and non-assessee by the income-tax officer without search warrant. The Income-tax Officers are having the maximum black-money. Their houses should be raided by the Special Squads to control these things. The new income-tax

[Dr. A.K. Patel]

provisions in this Budget are unconstitutional and unworthy of true democracy and would convert India into a Police State. Insertion of 133B of the Income-tax Act empowers income-tax authorities including Inspectors to enter the residence, both assesseees and non-asseeseees. A new provision has been made with Section 269U which allows the Department to acquire any property which is proposed to be sold. This provision gives the authority a right to enter any home between sun rise and sun set for getting information.

The second provision allows the authority the power of acquisition even in a case where the property was sold at a fair market value and even if sold to a friend or associate company for absolutely bonafide reasons. The budget has failed to create genuine employment opportunities for the unemployed youth. Actually the money allotted for the poor class people hardly reaches them and we know the reasons for it. Actually, the budget is more for the elitist class people. Hon Minister in his learned speech said that he was bringing forward certain proposals for raising the revenue the burden of which will fall only on the affluent sections of the society. As I said, only Rs. 20 crores are to be imposed on this class of people.

I will come to my State of Gujarat. This year my State is very badly affected by drought and the money allotted for this is quite insufficient. Out of 21,000 villages as many as 16,000 villages are affected. They are facing a lot of difficulties with regard to drinking water and irrigation also. The Gujarat Government has drawn up a master plan of Rs. 400 crores. The Centre should come out to help liberally the Gujarat Government to overcome the difficulties. I am prepared to say that the money allotted for the Gujarat State this time is not sufficient.

Also about power generation, I would say that it is quite insufficient in Gujarat. Gujarat has a lot of gas which can be utilised for power generation. But for one reason or the other it is not utilised and people suffer a lot of difficulties.

Also the money allotted for family planning is not sufficient. Only Rs. 530 crores—which is a bare 1.4% of the total expenditure. As you know the population growth causes the maximum damage to the economy of the nation. That is why more money should be allotted for the family planning programme.

[*Translation*]

SHRIMATI PRABHAWATI GUPTA (Motihari): Hon. Deputy Speaker, Sir, I welcome the Budget for the year 1986-87 presented in this House. This is a concrete step in the direction of taking the country into the 21st century as per the determination of our hon. Prime Minister.

Mr. Deputy Speaker, Sir, this Budget is constructive and full of wisdom, imaginative and it aims at removing the poverty of the poor and making them happier. The resource mobilised by the hon. Minister to collect funds will go a long way in making the country prosperous, removing unemployment and kindling a ray of hope in the huts of the poor and poverty eradication programme would be strengthened.

Mr. Deputy Speaker, Sir, one of the special features of this Budget presented by the hon. Finance Minister is that as compared to such a comprehensive determination, dependence on foreign aid will be only 5 per cent. The budget deficit is only 6 per cent and non-plan expenditure is 13 per cent which indicates that the Central Budget is balanced one and is development oriented and it shows its quality. The most important feature of this Budget is that a substantial amount has been set apart for the programmes aimed at removal of poverty. Allocation under this head has been raised by 65 per cent this year and I welcome it. Besides, the allocation for the Rural Development Programmes has been raised by 50 per cent in this year's budget. More funds have been allocated for the programmes covered under Rural Development Programme, anti poverty and poverty eradication programmes, National Rural Employment Programme. This programme is utmost necessary and the man-days likely to be created this year through this programme

will be more as compared to 1985. The outlay has also been increased. There is 93% increase in the allocation for National Rural Employment Programme as compared to 1985-86. The Government should see that the permanent assets being created in the rural areas through these programmes, besides creation of man days, are actually permanent or not? They will have to see whether work is being done there properly or not?

You should constitute a committee of Parliament in respect of the dams, roads and schools that are being constructed or the community development programmes that are being launched. The committee so constituted should visit the rural areas and should see as to how much permanent assets have been created this year. This would give fillip to the programmes of eradication of poverty.

Our second programme is RLEGP. This is also a very good scheme. Allocation under this head has also been increased which is an encouraging sign.

Another programme which has been given encouragement by our Finance Minister is for bonded labour, expectant mothers, infants and breast feeding mothers. This is an attractive programme. But you just go to the country side and see whether nutritious food is actually being given in the villages? Your scheme is, no doubt, attractive, but you do take care of it lest it might remain on the paper only. The Finance Minister has to ensure that it is translated into reality. We are going to spend 65 per cent of our budget allocations on the programmes of eradication of poverty. That the Budget revolves around the programmes of poverty eradication is a good sign indeed.

Our late Prime Minister Shrimati Indira Gandhi had given the slogan of 'Garibi Hatao' in 1971 and the people appreciated this programme and received it well. After her party won the elections, she gave the country 20 Point Economic Programme. I belong to East Champaran District. There is Western Champaran District adjacent to it and I would like to give you an instance of how hollow your programmes are in that district.

Champaran now stands divided into two parts—East Champaran and West Champaran. 325 bonded labourers were liberated in Gaunha Block of West Champaran but they were not given their due rights. Our Chief Minister, Shri Bindeshwari Dube set up a committee under the Chairmanship of the collector in early 1985. The report submitted by that committee is a startling one. The report says that 325 bonded labourers have been liberated on paper only but their due rights were not restored to them. They were not given subsistence allowance. Even the cows and buffaloes given to them were sickly. The collector submitted this report on 1st May, 1985, but nine months have since passed and that report is gathering dust, no action has been taken on that report. You can very well imagine as to how far this programme is being implemented.

I agree that our per capita income has increased appreciable as a result of poverty eradication programmes. If we take 1970-71 as the base year, our national income has increased substantially. Today, our income has increased to nearly Rs. 2300 crores from Rs. 775 crores.

There are two parts of the Budget presented by our Finance Minister—Part A and Part B. I welcome the concession given by him in Part B to the salaried class from income tax and other facilities given to the poor, such as, barber, cobbler and rickshaw puller. I also welcome the Indira Housing Scheme. Another point which I want to mention is that we are going to spend Rs. 316 crores on drinking water supply schemes in villages.

It is a very good thing and we, therefore, welcome it. In this connection, I would like to say that the tube-wells which have been recently installed in the villages ought to be 300 ft. deep, though if a survey is conducted, most of them would be only about 50 to 60 ft. deep.

There are many more attractive proposals in the Budget to which I would like to draw the attention of the hon. Minister. The tax proposals will bring in a revenue of Rs. 445 crores. It is good that concession in excise duty has been granted to small scale industries. The income tax officers have been

[Shrimati Prabhawati Gupta]

empowered to conduct door to door surveys, and I would, therefore, like them to discharge their duties with honesty. How many notorious smugglers who are amassing wealth through anti-social activities have been apprehended? The raids should be conducted, but only genuine culprits should be punished.

I would like to ask those political parties in Bihar, which are threatening to convene 'Kranti March', as to leaders of which party have been arranging boarding, lodging and reception in Western Champaran during their 'Padyatra'. These political parties are throwing a challenge to Rajivji today. They must know that our hon. Prime Minister has resolved to take the country to the 21st century and has been working for the upliftment of poor vociferously. The people of this country have seen it for themselves. We have full faith in his leadership.

I am confident that the current Budget will not only help in eradicating poverty, but also spread prosperity and development to every village in the country. I would have said much more, but I had not been allowed sufficient time. I thank you, with these words.

[English]

SHRI AMITABH BACHCHAN (Allahabad): Mr. Deputy-Speaker, Sir, for a country as vast, varied and complex as India, it becomes an increasingly difficult task for a Finance Minister to present a Budget that will appeal to all sections of the society, that will have the approval of all sections. Some will approve of it, some will like it, some will disapprove of it. Under these circumstances, it becomes imperative to understand which way we want our priorities to go.

The Finance Minister, in the opening remarks of his Budget, has said that the Budget is a total, a powerful tool, for achieving our socio-economic goals as laid out in the Plan. When we talk of socio-economic goals, we cannot but take into consideration the fact that we are dealing with a country 90 per cent of whose people

are poor and 53 per cent of whose people live below the line of destitution. I think this is a very important factor to be taken into consideration. Keeping this in mind, I think, the Finance Minister needs to be congratulated and the Budget needs to be lauded for the thrust towards anti-poverty programmes that it has initiated. The thrust of 66 per cent is indeed a very commendable effort and we wish to congratulate the Finance Minister on this effort.

However, I have one small submission to make. During my very short tenure as a Member of Parliament of this august House and during my tours of the constituency and in the backward areas of this country, I have noticed that the benefits of a large number of these plans that are so grandly made here in this august House hardly every reach the poor. Some steps must be taken at least to educate those people. They must be taught, they must know that there are programmes, such as, IRDP or the 20 Point Programme. A lot of them are totally unaware of these plans. I think some kind of a Government effort not only a Government effort but something more than that is necessary. I would appeal to all Members of this House, that we Members of Parliament, when we tour our constituencies, should make it our job to see that at least we make them know what is in store for them. Let them know what is their right; let them know what we write out for them on, a piece of paper, so that all the benefits that we make for them in this august House reach to them and they are benefited by them.

The country has advocated that progress and development in this country will take place via the public sector. We endorse that thought. We also endorse the thought, the thrust, that has been made in the budget towards increasing the efficiency of the public sector. But I am afraid even here there is a lag. An investment of about Rs. 20000 crores is yielding negligible return. I think this is an area that needs to be looked into very thoroughly.

I know that I have not had a very long tenure as a Member of Parliament, but I can say with a certain amount of confidence that if our anti poverty programmes were to be implemented, even 50%, if our public sector

was to increase its efficiency to 25%, this country would be seeing its way to the golden era. I would like to implore the Finance Minister to please see, to please go into the working of these public sector undertakings, to ensure that at least we can get 25% efficiency and see that these plans work out for the benefit of the common man.

There are many other areas which have already been gone into in great detail by other Members of this House. I don't want to go into them. I am not an economist and I cannot really talk about them at length in detail. I would like to come to an area which has often been ignored, often been looked upon very casually, an area which is so close to my mind, viz, the film industry.

AN HON. MEMBER : He always goes to films. (*Interruptions*)

SHRI AMITABH BACHCHAN : That is why he knows little about it.

Mr. Deputy Speaker, what I am going to say is that your own Chief Minister is connected with the same fraternity. My colleague Shri Sunil Dutt who is also my senior in the film fraternity, yesterday spoke at great length about the film industry. I endorse his thoughts and I don't want to repeat whatever he has said. I really want to make some more deliberations.

First of all, I would like to inform this House of some very startling statistics about the film industry. The annual investment as far as production of films is concerned is around Rs. 250 crores. Our box office collection annually amounts to about Rs. 500 crores. Of this Rs. 500 crores, Rs. 350 crores go to the Government by way of taxes. That leaves the balance of about Rs. 175 crores. Half of this amount goes to the exhibition section for exhibiting these films. That leave a balance of approximately Rs. 90 crores. This Rs. 90 crores has to be shared between the distribution section and the production section.

Giving an allowance of say 20% as commission towards distribution, it leaves a figure of Rs. 70 crores, Rs. 70 crores is

comparison with Rs. 250 crores that has been initially invested ! What I am trying to implore you, what I am trying to say is that for every Rs. 4/- that a Producer puts in, he gets back just Re. 1/-, a less of 75% I think, this is a deplorable state of affairs. This is the most pathetic state of affairs and it is a state of affairs that needs to be looked into very carefully.

(*Interruptions*)

This needs to be gone into very carefully. I want to reiterate that the taxes that are being levied on the film industry are the highest in the country even though in importance the film industry comes tenth in this land. Is this justifiable ? Let me just give an example of the excise duty on films. We buy raw films from the market and there is customs and excise duty on this. Accepted. We shoot our films. We create. We make a print of that film and on the print there is an excise duty. The first 12 prints are free of cost but after that the excise duty goes up in a geometric progression. By the time we make sixty prints the excise duty is almost 100 per cent. How are you going to survive ? It is impossible. Sixty prints for whole of India ! Sixty prints are capable of taking care of only one territory say Maharashtra. There are six major territories. How can we reach the whole of India by taking out sixty prints ? We cannot afford to take out more prints. I want to know what is the logic behind this duty. The Finance Minister has said that excise duty is a duty which is executed and then invariable passed on to the consumer, viz., in time to come the excise duty should pass on to the consumer. We accept that fact. But how have you treated the finished print as a consumer product. It must be the only consumer product in the world where you have to pay for it before you can actually see it. If you go and buy soap, tooth brush our tooth paste in the market you are able to see, feel and make a selection and then take it home and use it. But the film is one medium where you have to buy your ticket at the booking office without knowing what is your consumer product going to look like and after entering the hall and seeing the product you cannot take it home. So, what is the rationale and on what basis the excise duty is being levelled on prints.

[Shri Amitabh Bachchan]

Sir, then this is not applicable only to the number of prints but also there is excise duty on the length of film. If you make a film beyond 4000 meters there is an excise duty levied on it. I am not able to understand the rationale. Kindly explain it to me.

Sir, the film is a creative piece of art. So, in other words you are trying to tax creativity. You are trying to say that if I make a film of 4000 meters there will be no tax but if I make a film which is 5000 meters then I will have to pay the tax. Sir, it should be the criteria of the maker to decide as to how much length of his film should be. He can make a film of 10 minutes, two hours and ten hours. Let the public decide how long they want to sit in the theatre.

MR. DEPUTY-SPEAKER : Many people want to sit for hours together.

SHRI AMITABH BACHCHAN : What I am trying to say is that it is like asking another that you are allowed to write twenty pages of a book and on every ten pages extra that you write you will have to pay excise duty.

It is like telling a painter that you are allowed to use red and blue and if you use green then you have to pay excise duty on it.

Sir, the hon. Finance Minister, unfortunately, is not present in the House though it concerns the Finance Minister. The hon. Finance Minister is also a creative artist and I wish he were present here today to hear this. He not only has the task of creating a commendable budget every year, but the Finance Minister is also a poet. I have had the honour and privilege of having read his poems in many magazines. How would the Finance Minister react if he were told that after two verses, on the third verse that he writes he will have to pay excise duty. This business of fixing excise on the length of the film tantamounts to that. I am pleading against that. I want to plead with the Finance Minister to look into this matter. It is extremely serious. This is ringing the death knell of the film industry.

We have to fight the video piracy every day. You drive down to Palika Bazar here and you will find that illegally video cassettes are being sold in the market. There is a regular *Satta* bazar. Even before the films are released, they are auctioning our films here. How do we battle with the video piracy? We can battle with the video piracy only if we are able to beat the video pirate before he reaches that territory. We can only do that if we are allowed to take out the maximum number of prints. If we are able to take out 200 to 300 prints, we will be able to reach the various territories before the video pirates get there ... (*Interruptions*). There is a Cinematographic Act. We compliment the Government for that; that was amended also last year. Video was also brought into its domain, but it is not being implemented. I do not have grudges about that. But let us create an atmosphere, where the film industry can fight the video pirate. We will be able to fight the video pirate only if we are allowed to take out maximum number of prints. That we can do only if this torturous excise duty is removed and abolished totally.

I shall now make one or two more points. There is a scheme called the Annuity Deposit Scheme which had been propagated many years ago by a former Finance Minister, a very honourable man. He said, and very rightly so, that the life of artistes is very limited, they have a peak period, and, therefore, their future should be protected because their earnings for the entire tenure would not be the same. He brought out this Annuity Deposit Scheme, whereby the producer of a film or an artist took his remuneration, gave it to the LIC and opened an Annuity deposit. After ten years, when the artists had passed his prime, this annuity was given back to him in a staggered form. The Finance Minister after a Supreme Court judgement has put this annuity under wealth tax. I would like to know where is the wealth involved in it, when I do not even see it. It is just a piece of paper. I cannot even liquidate it to pay my taxes. How can this come under wealth tax? We have made innumerable representations to the Government saying that this is a paradox, this is an anomaly which must be removed. After ten years,

when we get back our money from LIC, we have to pay tax, because it has been brought under wealth tax. What kind of wealth it is when it is not even under my possession ! I would implore again the Finance Minister to look this very carefully and consider our request, for which a number of representations have already been made.

Again, I would like to make a reference to the Finance Minister, but unfortunately he is not here.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : He is in the Rajya Sabha ; he cannot be present in both the Houses at the same time. And from here I have to rush to the Rajya Sabha because he has to go at 5 O' clock with the Prime Minister.

AN HON. MEMBER : We are not objecting to it.

SHRI JANARDHANA POOJARY : The hon. Member should have understood that. I am also a part and parcel of the Finance Ministry.

SHRI AMITABH BACHCHAN : In the Janavani programme which featured the Finance Minister, he made a reference very good-humouredly, to one of the lady members in the panel saying that one way to control one's budget after the price hike was to forego one cinema ticket. The Finance Minister said it very good-humouredly and I hope the public, the masses of this country have also taken it good-humouredly. If they have not, then it is going to affect the lives of three lakhs of workers that are involved in the film industry. How much blood, sweat and tears go into enticing that one chap to buy a six-rupee ticket ! Now, we know that and perhaps you also know. It is a lot of hard work and it is a lot of hard labour. I want to make one more point. On one six-rupee ticket, there is an entertainment tax of Rs. 4. By foregoing one ticket and presuming that there are about ten crores of people watching films every week (and this is also a very conservative figure), you are saying that Rs. 40 crores should not go to the exchequer. Sir, I hope the Finance Minister will make

note of this point and discourage people from saying that they should not go to films because the films industry's survival is at stake. And this is a very serious point. I know that we provide the lighter moments in life not only to people outside this House but inside the House as well. But let me inform you that our problems are, in fact, very serious and they need to be looked into with great seriousness.

I want to thank you once again for giving me this opportunity to put across my points about the film industry with the hope that the hon. Minister of State for Finance will pass this on to the hon. Finance Minister.

15.47 hrs.

[SHRI VAKKOM PURUSHOTHAMAN
In the chair]

SHRI G. L. DOGRA (Udhampur) : Sir, I thank you for allowing me time to speak. Before I say anything, I must assert that I am one with Amitabh. So far as the whole-time film artists and film industry are concerned, it is they who provide the poor people's entertainment. He has enlightened us for the first time as to how shabbily the film people are treated and how hard their life is. The real position about the film industry is quite unknown and he has done a great service by putting things right. I hope that our Finance Minister will consider the matter very sympathetically in its proper perspective.

Sir, the budget, on the whole, is very good. It is really one of the best budgets that we have ever seen. But still, there are certain things in which this budget is lacking, and I would like to draw the attention of the hon. Finance Minister to these aspects. All the surveys such as the pre-budget survey, etc., and all the statistics that we may have here, will be absolutely misleading unless we are able to hold the priceline. And it is not possible to hold the priceline when the Government is raising the administered prices the administered prices so far as petrol and petroleum products are concerned cannot be questioned.

[Shri G.L. Dogra]

I think that our economists and planners have a very loose policies and loose ideas about things. They do not take into account the actual performance. They hardly know what is going on in the country. In my view it is not the financial provisions in the Budget that count, rather it should be actual performance. If you raise the prices by 5 per cent, I can say from my personal experience, that the performance is reduced at least by 25 per cent. This is one thing which we must keep in view. These teams of financial advisers that you have got perhaps comprise of youngsters who have come now from universities. They know only the text-book theories and they go by them. There is a price rise. They say there is inflation. There is expansion of money. Through the administered prices you reduced the volume of money. Deficit financing was resorted to by one of the boldest Finance Ministers late Shri C.D. Deshmukh. He was right, when he said that you can have the deficit financing if your GNP goes up proportionately. If you adopt deficit financing, you do not tax at all. Our present Finance Minister also took bold step, last time, when he reduced the tax rates and had the largest collections. But some people apposed him on the basis of outdated theories. They wanted to protect the theories and not the Collections. If you can reduce the rate of income tax further, and you can collect more money. Some say that it is the blackmoney which is coming into the field and the people are paying taxes on that. Blackmoney today is acting Parallel economy. Wherever there is high rate of taxation, it is generally black money and in turn it is acting as a parallel economy. If you reduce the taxes, if even then the blackmoney comes under your fold and you should be happy about it. Do you want parallel economy or you want blackmoney to come to your fold and that should be kept in view. I do not know why our Finance Minister fumbled this time. The tax rate should be reduced. To that extent it should be reduced determined by an exercise to determine the point of maximum collectives. The exemption limit should also be raised so far as income tax is concerned. There are the points I want to make. I also press those points. Some concessions have been given to small scale

industries and we took lot of pains in this Budget to explain that. It is true that a sliding scale system of excise duty has been introduced. But there was a minimum limit of 30 lakhs, previously for the small scale industries. Last year, it was reduced to 20 lakhs. Now, the small scale industry people are saying that has been reduced to 7.5 lakhs. Everybody in the small-scale industry whose gross produce is upto 5 lakhs has to take the licence from Excise Department. The licence business should be avoided. But I would say that the small scale industry is very necessary for removing unemployment and for industrialising backward areas by giving work to the poor people. Under the circumstances the small scale industries case should be reviewed in consultation with those people. I tried to understand this problem but I could not follow whatever they are saying and whatever the Government are saying. I could not reconcile it. Therefore, this should be considered. Before, I go to another point, I will say that the Government has provided a good amount for certain works, for example Thein Dam. Nobody does proper planning. I say it is loose planning. Thein it is only 20 kms. from Basohli town—which is an old town and also a historical town. Existing road to Basohli will submerge in the dam. The new proposed road will make Thein about two hundred kilometres from Basohli A horrible alternative! Now they should construct a bridge so that we can reach Basohli town easily. At the moment, if you do not construct a bridge, it will be around 200 kms. So, I would request you that the Thein Dam Authorities should be asked to construct a bridge over Ravi river. On one side there will be dam well. On the other side, they should make a bridge.

These are the hilly and backward areas. High mountains too. You make pronouncements that girls will be given free education upto Class XII. It means that to the people living in the highest peaks of Ladakh and in the border areas, in the highest points of Himachal, and of U.P., this benefit will be given. But there is no school, no building. Nothing of the sort there. You are modernizing education without buildings without teachers. You may start using computers,

You will give education through radio and television ; but who will learn ? Do you want people living in high mountains, in backward areas which are good a part of India as any big city, and whose number is very big, to be educated. People from hilly areas are as good citizens as people in other parts of India. How can you deprive them of these facilities ? Will they serve as servants, coolies and porters for ages ? It is not acceptable to us or to them or future generations. The Budget has to make provision for them. It cannot be done unless you open up these areas, unless are constructed there.

It was Nehru Ji who had started the Borders Roads Organization. But the work being done by it is very small. You have to open those areas which are crucial even for defending the country.

Forests are being cut. In Tibet, I am told, the Chinese have made thick forests. On our side of the border we have naked mountains. We are not prepared to import plantation technology from china, although we are importing rubbish from USA and Britain. You import technology for making forests in those neglected areas, from Tibet or China, so that trees could be planted. Our scientists have failed us sofar.

It is my misfortune that whenever I have to speak on the bachward areas, I am short of time. I hope some day I will have enough time to speak on them.

PROF. SAIFUDDIN SOZ (Baramulla) :
I wanted to say a point or two about Mr. Bachchan's speech but now that he is not in the House, I must not refer to that speech. There are certain factual inaccuracies in it. Anyway, I will not go into them.

I see some good features in this Budget, which is innovative no doubt and it has given some relief in Excise duty. It has an element of subsidy amounting to Rs. 2200 crores for wheat, rice and kerosene. These measures will help poor people to some extent.

I agree with the Finance Minister that he wants resources ; hence a tax revenue of Rs. 450 crores is a welcome measure, because taxes are to be levied. Otherwise there will be no revenue, but it will have to be a graded effort. There have been internal borrowings and deficit financing. Despite deficit financing and internal borrowings, there is need to levy taxes.

I am in agreement with the Finance Minister whom I find to be very hard working. His intention is not to punish the poor people. But we have seen the increase in prices on the eve of the Budget Session of Parliament. (*Interruptions*)

16.00 hrs.

not to speak of us who belong to the opposition. On the eve of budget, there was an increase in prices of essential commodities which form part of mass consumption and some people rightly said that it was an affront to the dignity of the Parliament. Even though I have sympathy for the Finance Minister with his arguments that he wants to raise resources, on eve of budget, very essential commodities was an affront to the dignity of Parliament—I must say humbly—that the increase in prices of kerosene, in diesel, in gas, in wheat and rice has crippled the purchasing power of the poor masses of India.

Now, it is very unfortunate that Mr. Sunil Dutt and Mr. Amitabh Bachchan should bring in discussion on film industry. It is their right to do so, but they were not elected to Parliament to represent the film industry only. I don't say that is not Mr. Amitabh Bachchan's right, but I would invite them to be with me and I would tell him how pre-budget increase—in prices of essential commodities. in essential commodities has shattered the family budgets of a greate chunk of our population. I don't say that the Finance Minister is absent as others said, for Mr. Poojary is here. I invite his attention to this. Last time, he did not answer my questions which I raised. This time I would request him to raise this issue with the Finance Minister. I give them an idea of a family whose income is Rs. 500 per month. I have drawn the budget for a family. I can go to the Finance Minister

Prof. Saifuddin Soz]

or Mr. Poojary and show him how a family of five members with Rs. 500 per month feels about it. Last time you said there should be three member family. Now you say, two children. Tomorrow, you may say, one child. We shall abide by your advise. A family having five members with Rs. 500 per month as income has gone below the poverty line. If you say, it was 50 per cent earlier below the poverty line, now you must have the figures to tell us what is the percentage of population that is living below the poverty line. It is not a challenge to you it is a question of common sense. If you prepare a family budget of five members with Rs. 500 per month as income, with the latest increase in the prices of essential commodities. Such a family has decidedly passed below the poverty line. Gas is no longer a luxury; diesel is not an item of luxury. The family of five members having an income of Rs. 500 per month has gone below the poverty line.

This budget has given some relief to people, but the budget does not reflect anti-poverty programmes in a substantial manner.

He wanted to raise resources. There was a lot of wastage. There is need for economy; there is need to improve efficiency. If only in these areas we make some concerted effort, we can have a lot of resources. I can say that not only from the opposition side but from the Treasury Benches also there were suggestions to this effect. I was going through the speeches of Mr. Patel. Prof. Mahajan I found that both from the opposition as also, from the Treasury Benches, two gentlemen had referred to some measures whereby the Finance Minister could increase resources. If, on energy, you save only 1 per cent on loss of energy through transmission, you will have Rs. 400 crores to Rs. 500 crores and if you can improve utilization of capacity in industry only to the extent of 1 per cent, you will have another Rs. 500 crores. But you have punished the poor people who have to pay now Rs. 2 for the same transportation for which they paid 50 paise in the past. Thirty paise ticket you have raised to 50 paise and 40 paise ticket you have raised to Re. 1. Diesel, kerosene and gas, all these are essential commodities. So there

ate many areas where you could effect economy, you could effect economy and save money. Look at the losses in transmission, and in energy sector all over the country.

MR. CHAIRMAN : The hon. Member's time is up.

PROF. SAIFUDDIN SOZ : Your total revenue through taxes is Rs. 450 crores. Some hon. Members on the Treasury Benches have suggested—or calculated—that cleaning *Bandh* costs Rs. 500 crores. Then why not discuss it with the Opposition before the Central Government hikes up the prices? Had they done it, there would have been a no *bandh*. Why did you not get that to Parliament before going in for the savage price hike?

Secondly, as I have said it, I have sympathy with the Finance Minister, but I must tell him this price hike is an affront to the dignity of Parliament besides having crippled the purchasing power of vast majority of people.

MR. CHAIRMAN : You wind up now.

PROF. SAIFUDDIN SOZ : Give me one or two minutes more.

MR. CHAIRMAN : I have already given you three minutes extra.

PROF. SAIFUDDIN SOZ : I am coming to my State only now. Give me three more minutes, Sir.

MR. CHAIRMAN : I have given enough time.

PROF. SAIFUDDIN SOZ : I have not yet said anything about my State.

MR. CHAIRMAN : What can I do? Your time is up.

PROF. SAIFUDDIN SOZ : Give me at least half as much time as you had given to Shri Bachan.

MR. CHAIRMAN : His party has got more time ; his party has got more members here.

PROF. SAIFUDDIN SOZ : I have got important things to say. Kindly give me more time.

I am not taking much time. I will straightaway come to my State. I invite the Finance Minister's attention to the fact that our State is a very backward State and in addition to being a very backward State, our waters are running waste fully. Against 1500 MW our installed capacity is 200 MW. During the last twenty months this State has been under the mis-rule of Shah Government, which was a very corrupt Government and the dimensions of that corruption have no parallel in the twentieth century.

MR. CHAIRMAN : You wind up now.

PROF. SAIFUDDIN SOZ : Just a minute, Sir.

You have instituted the Governor's rule and we have welcomed it. He is now having—what I can call—a cleansing operation and we are all happy with him that he has started doing a very good job. He is doing some good things. But, power mongers, who have no voice among people will now start criticising him. So, we have welcomed the Governor's rule. But the Central Government should invite the Governor here and ask him about the measures taken and ask him to inquire into the Corruption during Shah's time. The Planning Commission and the Finance Minister should ask him to submit some long terms proposals for the economic development of the State, which has been ruined by Mr. Shah and his cronies during the last twenty months.

MR. CHAIRMAN : Dr. Adiyodi.

DR. K. G. ADIYODI (Calicut) : I am fully aware of the time and I take this opportunity to support the Budget. The guiding principles of Indian planning are provided by the basic objectives of growth, modernisation, self-reliance and social justice. The Seventh Five Year Plan also

formulated with the above aims and absolutely there is no change from the good old practice which we are following—for our achievements are many ;

From our experience, mixed economy is not retarding the growth and progress of the nation but accelerates the production and productivity of agriculture and industrial sectors. At a glance of the Budget, the new changes, i.e. we are moving towards the formulation of a long term fiscal policy co-terminus with the Seventh Plan is evident. In spite of various hurdles and hazards—national and international—against economic development and political stability, our nation marched forward with increased production and productivity from agriculture and industry. As we are aware, the total revenue of our country is only sufficient for defence, subsidy, non-plan expenditure and interest payment. We are forced to go in for internal and external borrowings for our Plan expenditure. Plan, as stated earlier, demands a fresh look i.e. expenditure on plans should commensurate with the achievement—achieving target in money terms alone will not lead us anywhere near our goal.

This Budget is not merely a document on resource mobilisation and expenditure, but this is a document for proper scrutiny by this august House irrespective of party affiliation, for reducing the gap of haves and have-nots. Political criticism for attaining cheap and mean popularity among the people will certainly inflict more harm than good to the nation in achieving our socialist goals.

As we are aware, funding the Plan is a difficult task. With utmost care and tremendous efforts by the Ministry of Finance under the leadership of our Prime Minister and the Finance Minister, in 1985-86 we could increase the revenue substantially breaking hitherto records. This trend will alone provide sufficient means in increasing the capability of the nation for achieving the aimed goal by the beginning of the next century as per our commitment.

But some of my colleagues in the opposition are against modernisation

[Dr. K.G. Adiyodi]

especially computerisation. Yet others in public criticise this Budget as a Budget of consolidation with political tranquilisers and not growth oriented. The main reason they attribute to this argument is that the respectful citizens are harassed by tax raids and the proposal for acquisition of property above Rs. 5 lakhs is termed to be unconstitutional and they say that the Government is leading the country to a Police State. I am surprised to note that after going through the Budget documents and the hon. Finance Minister's speech in this House, if studied deeply, no citizen of India could come forward with such a mean argument.

By the end of the Seventh Plan the total expenditure as envisaged now is twice that of a foregone Five Year Plan. The main objectives are to fight poverty in consonance with our socialist goal, to give relief to the common man, to strengthen the public sector, strengthen self-reliance, boost small scale industries, to launch drive against tax evaders and collect more from the rich.

A few items of increased expenditure, as stated by many of my colleagues, are IRDP—Rs. 428 crores, NREP—Rs. 443 crores, RLEGP—Rs. 633 crores, subsidy on foodgrains including essential commodities—Rs. 2488 crores and Indira Gandhi Griha Nirman Yojana—Rs. 125 crores.

So, when compared to all other Budgets, this is a novel Budget and it gives a lot of relief to the common man and farmers through long term agricultural pricing policy. It also gives impetus to our industry and other common daily use items. They are going to have a sort of price fixing policy. There are various benefits given in the Budget to workers, salaried class, common man, self-employed, small scale industry, handloom, etc.

Coming to my State, it is true that a higher allocation is provided for hydro-electric, thermal, solar, etc. But it is the main sector by which the industry and agriculture can prosper. So, in my view, the allocation in this 12 field should be double,

In Kerala, hydro electric power alone is available. A thermal power plant is a must and it is a long overdue demand.

In transport sector also the allocation is meagre. I request the Railways for doubling of lines from Shornur to Mangalore, Trichur-Guruvayur-Kuttipuram and Tell-chery-Wynad-Mysore.

National Highway 17 from Calicut to Mangalore with by passes is long overdue and so also palghat-Mannarghat-Calicut roadways.

Largest kilometres of inland waterways are available in Kerala and to conserve energy, it can be put to use. It requires a major input but neglecting it is not helping in conserving the petroleum products.

Completion of Calicut airport is a long overdue demand.

In the cooperative sector, the old British system is still functioning, Linking up of credits with share to the poor agriculturists—MODVAT, if I may put in the Finance Minister's term—is doing much harm than help to the people. The three-tier system of cooperative organisations is to be dispensed with as early as possible.

Coconut, the mainstay of the agriculturists of Kerala, is not included in the category of oilseeds. We can save a lot of foreign exchange if it is included in the edible oil sector and self-sufficiency can also be achieved.

The economy of Kerala, as you know, depends upon the export-oriented cash crops, marine, coffee, cardamom, etc. The major export earning is from pepper and ginger.

Value added export is our aim but nothing is being done towards this end, and because of that huge and bulk quantities of pepper and other hill products are refused by foreign buyers.

Science and technology, to increase productivity, is totally urgent and even though there are several State and Central agencies to help the agricultural sector, nothing tangible is being done.

The major wood-based industries in Kerala, employing about 6,000 workers directly and almost the double of that number indirectly, are in a soup now because of the unavailability of soft-wood. Large-scale plantation of soft-wood was planned for industrialisation, but due to various reasons it was shelved. So, to save the industries and the workers, immediate intervention of the Central Government is demanded.

Beypore Port is the oldset port which is lying sick. Ship breaking is a highly profitable venture and there is every scope for enlarging it for providing employment as well as for earning revenue. But that also is in a mess now.

There is a lot of unemployment among the educated youth in Kerala which has the largest density of population and the smallest holding of land. Unless major Central sector industries are set up in Kerala, employment opportunities cannot be created. To improve the economy of the State, it is necessary that productive investment and industrial development should be made, otherwise all the uneducated youths will not get employment. As a pramium for the good work done by the State in the overall social upliftment, a special grant for employment should be provided.

To achieve our goal, our prime concern is to strengthen the forces of unity and integrity of the nation for which it is warranted and overdue to start a mass campaign by the secular and democratic forces to safeguard nationalism, secularism, democracy and socialism.

SHRI WANGPHA LOWANG (Arunachal Pradesh): Mr. Chairman, Sir, I am grateful to you for giving me this opportunity to participate in the Budget discussion. I rise to support the Budget proposal. The Government, under the leadership of prime Minister Shri Rajiv Gandhi has made a commendable achievement in many fields, which need no raiteration. We should all appreciate and cooperate. This Budget is another stride in the process of eradication of poverty. I congratulate the Finance Minister. He has increased the allotment by 65% under IRDP, NREP and RLGP pro-

grammes. This will benefit the rural section of our people. He has also introduced a new scheme to provide loan through banks with subsidy components for the benefit of the poorer sections living in the urban areas.

Sir, another very important step for the improvement of the living condition of the Scheduled Castes and Scheduled Tribes people is the proposal of Indira Awaas Yojana, the Housing Scheme. This is a befitting tribute to our late Prime Minister Mrs. Indira Gandhi, who stood for the welfare of the backward people, the Scheduled Castes and Scheduled Tribes and the down-trodden people of the country.

However, I would say that more emphasis should have been given for development of hill areas which are still very backward. I come from the North Eastern Border Territory of our country, Arunachal Pradesh, which is still very very backward and the people are still cut off from the mainstream of national life. Road communication needs lot of improvement. The rate of literacy in Arunachal Pradesh is 20% which is one of the lowest in the country. We have no Railways in Arunachal Pradesh. There is no major industry there. We have mostly to depend upon road communications. But there is a great bottleneck in respect of road communications. Many road construction projects have remained incomplete due to financial constraints. Out posts are still being fed by transporting materials by air through the helicopters, etc.

The cost of transportation of materials by air comes to Rs. 8 to Rs. 10/- per k.g. So, under such circumstances, unless we have better road communication, the people living in the area will never progress. Some of the border roads were taken over by BRTF (Border Road Task Force) but still have remained incomplete. For example, I should mention that from Roing to Anini, the road was started in the year 1969. It is little more than 200, kms but still it is incomplete, so also bound many other roads incomplete or not having improved.

Primary schools in the villages are in the from of *kachcha* house constructed with bamboo and other materials. Many of the schools are constructed on self help basis,

[Shri Wangpha Lowang]

Arunachal Pradesh has great potentialities, has got valuable forests. Tree and timbers, and has got many mineral resources like coal, limestone, granite and even oil, these are to be explored. There is a proposal from the Oil India Ltd., to set up a mini refinery at Kharsang. This is still pending with the Government of India. So, my earnest request to the Minister is to see that such projects are approved by the Government of India at the earliest,

Arunachal Pradesh has got the generating capacity of 20,000 mega watt of power. But till now, we have been able to generate only 200 m.w. There is much scope for development. There should be allotment of more funds.

I do not want to prolong my speech and bore the hon. Members. My only request to the Finance Minister and Government is to see that the funds are allocated in a liberal manner so that territories like Arunachal Pradesh which is very very backward also come up along with the other areas of the country. There should be a balanced development. Unless there is balanced development, we cannot be proud of our development in the country. As long as some people remain very very backward in some corner, we can never be proud of our development in the country. You will be surprised to know that in many respects Arunachal is lagging behind. For example, you take telecommunication. I cannot talk to my constituents over telephone from Delhi. If I send a telegram from Delhi, it reaches there very late.

One such case has actually happened very recently. In the month of January, I sent one telegram on 23rd January to my House informing that I would be reaching there on 28th. I reached my house on 28th as scheduled but the telegram reached there after my arrival, i.e. on 29th. This is the condition. In many other aspects also, the condition is like that.

In TV coverage, although we have so many programmes, nice programmes on development and other things by the Door-

darshan, most of the people in our area, say 80% of the people, are not able to see TV coverage.

I would once again implore for allocation of more funds for our Union Territory and support the Budget proposal.

SHRI K. S. RAO (Machilipatnam) : Sir, I consider this Budget as one of the good Budgets as much as we felt in the last Budget, it is the determination and the commitment of the Finance Minister under the guidance of the Prime Minister Shri Rajiv Gandhi that has made the success of this Budget and that has also possibly shattered the doubts expressed by the Opposition.

Statistics part of the various aspects are already given in the book. I do not want to repeat any more. But while going into the Budget, the emphasis that is given particularly to the poverty alleviation programmes, the common man, the public sector and the small-scale industries all these things will go a long way once again to get a good name to support and to improve the economy. More than the allocations and the proposals, it is implementation part that brings success. I wish that the hon. Minister will take all precautions to see that effective implementation of all these programmes and policies is done, particularly on the 20 point programme. 20 Point Programme is universally accepted that it will help the poor in improving their lot. Time and again, it is felt by many in the country that the implementation is not going well. So, I repeat that the Finance Minister must take proper care in ensuring the proper implementation of this 20-Point Programme.

In this context, I wish to mention possibly the secret of the success for the implementation of the 20 point programme is in identifying the right beneficiaries. This is not being done with proper care with the existing infrastructure.

(Interruptions)

MR. CHAIRMAN : They are complaining that no Minister is attending to the speech. Somebody must take note.

SHRI K. S. RAO : The intention of the Budget can be fulfilled in regard to the common man by the proper implementation of the 20 point programme and the key to success is only in identifying the right beneficiary who can generate wealth with the help given by this Government. This requires possibly, apart from the infrastructure that is available now, involvement of the voluntary agencies in a good number which are above board, which have done good service in the past also, entrusting it to them and then over-seeing and monitoring its success. A good number of youngsters are available, particularly in poorer classes who are competent, desirous, zealous, who can be encouraged by giving the necessary training in various skills.

As regards the products that have been produced by them, if the Government is to take responsibility in marketing by giving right price, it gives the right result.

This subsidy particularly given through 20 point programme, should not be a cause for inflation because of misuse. Thousands of crores of rupees which are given in the villages are, on many an occasion, increasing the prices of commodities which are in short supply. The Government must think, not simply by giving subsidy, but by increasing the productive capacity, by bringing new technology or hybrid methods or imparting technical skills, only by will improve the wealth and simply not giving subsidies. Consistent and effective monitoring, cutting red-tapism, corruption in various places and allowing the real benefit to go to them will add to the success of the 20 point programme.

The other day our hon Member and the Opposition Leader, Shri Madhav Reddi was telling that this budget was populous. I am very happy that he has recognised that the budget should not be populous. But if you go into the budget, 8% of it is subsidy or 15% is for social services including subsidies. I wish that our hon colleague, Shri Madhav Reddi will ensure that the budget of Andhra Pradesh also is on the same lines.

Coming to the gross national product, the increase of the GNP does not depend only upon the emphasis or the implemen-

tation of the programmes by the Centre. The States also must take care that effective implementation is done in regard to the funds given to the States by the Centre as well as their own funds.

Extensive study must be done by the Government of India and the Finance Ministry before formulating the budget involving the economists, the industrialists, the trade unions, the farming community, the consumers and administrators etc. to find out what type of tax structure and what type of policies and programmes will be able to generate more wealth as well as more resources for proper distribution.

Coming to the Budget provisions, when we go through—it can be checked from both sides—we see that we can certainly still increase the small savings and the internal borrowings as well as the tax revenue as the Finance Minister has done last year. From the expenditure side, the non-plan expenditure and the expenditure on general services and the economic services to a very great extent can be reduced. This is possible and by this we can also reduce the deficit in the Budget.

The budget shows that enough attention has not been given for human resources development. If one goes into the details, by imparting skills to a common man to an extent of reducing extra income of Rs. 4 per day, we can increase the resources to an extent of Rs. 40,000 crores per annum. With 10% of the GNP as the resource we can get Rs. 4000 crores which can nullify the deficit in the budget.

Similarly, to-day 170 million hectares of wasteland is available in the country. It is not necessary that you should invest thousands of crores of rupees. If only the Government takes effective measures without losing any time and give this land to the local poor, we can increase the wealth of this country by thousands of crores of rupees, which may even run to Rs. 80,000 to Rs. 90,000 crores. Once again, 10% of it as tax revenue, that is around Rs. 8000 crores, can cover the subsidies and other expenditure simultaneously cutting down the inflation, controlling the prices and filling the gaps in the budget. Then it does not require increasing the prices or the duties,

[Shri K.S. Rao]

I have been telling repeatedly that proper statistical organisations should be established and strengthened to analyse the shortfalls in various directions and advise the industrialists, the traders and the farming community about the product, the crop pattern, etc. by which we can increase the production, regulate the prices, save the foreign exchange and maintain the balance of trade. If this is done, we can cut down imports and save a lot of foreign exchange. God bless the Finance Minister. He has realised at least now that we should not allow any more imports of edible oils and sugar which can be produced in abundance if only the farming community of this country is given enough incentives and remunerative prices.

Similarly, some incentives given to the various other producers without sacrificing the interests of the nation can improve the economy.

The public sector, as everybody knows and the Minister also has admitted, has to improve its efficiency. If only the management of the public sector is entrusted to the professionals—not the bureaucrats—who consider the institute as their own and who thinks that he must work right from the morning till the evening and not from 10 am to 5 pm and appointments are made solely on the basis of merit and not on political considerations, the generation of wealth by the public sector would be much more than the Rs. 8683 crores as shown in the Budget. Over Rs. 40,000 crores have been invested in the public sector and if these were to generate surplus on par with good private sector, the ills of inflation, deficit budget etc.

MR. CHAIRMAN : Please now conclude.

SHRI C. MADHAV REDDI : He is making good suggestions. Please give him some more time.

MR. CHAIRMAN : All members are making good suggestions. But our time is limited.

SHRI K. S. RAO : I can understand that thousands of crores of rupees are being

spent on social services and subsidies but I cannot understand why particularly some important sectors are not given enough budgetary money once again when they could generate surplus funds to feed social services and subsidies.

(*Interruptions*)

Sir, enough attention has not been paid on the population control. Whatever be the amount of generation of wealth, unless the population is checked the problems of the country and economy will continue. So, immediate steps are to be taken by allocating necessary funds to check the growth of population. (*Interruptions*) It is not the allocation of funds alone that matters. Giving necessary permission for or clearance to certain projects is a must. For example in Andhra Pradesh there are two projects viz. the Polavaram project and the Telugu-Ganga project, they will bring wealth enormously. It is not only for the State of Andhra Pradesh but also for the nation as a whole. This point must be taken into account that clearance of such projects not in the interest of the State alone. The Polavaram project alone costing Rs. 1284 crores. It generates 750 megawatts of power and irrigates nine lakh acres which will bring a wealth of Rs. 500 crores per annum from agriculture apart from the industries based on 750 MWs of power.

Sir, while deciding these things, the Central Government must think of generation of wealth which is very essential and not the petty differences or the mistakes wrong policies of some State Governments, the wrong policies of the State Governments should not come in the way of generation of wealth. I would request the Government to take all these aspects into consideration. Real generation of wealth is done by clearing such important projects.

Thank you very much, Sir.

MR. CHAIRMAN : Mr. Hannan Mollah, your party has, in fact, no time left. Please try to be very brief.

SHRI HANNAN MOLLAH (Uluberia): Mr. Chairman, Sir, at this fag end, I have not much time to speak. I want to make only a few points. Firstly, in the economic review, it has been accepted that because of the wrong pricing policy adopted by the Government, regarding agricultural produces, various imbalances are there. Distortions are emerging in the cropping pattern. The agriculturists are not getting remunerative prices for most of the produces like cotton, sugar cane wheat and paddy. I want to mention two of the products of my State West Bengal and the Eastern Region, Assam and some other parts also. First, I want to mention about jute. You know, Sir, jute is a very important produce. It bring good foreign exchange for our country. As we produce jute in our State and Assam and some other places, we sacrifice a lot of land for, we cannot produce rice etc. Earlier the arrangement was quite different. The jute price will be one and a half time more than the price of rice. But now, unfortunately the prices of jute are going down and down and the peasants who are producing jute are going poorer and poorer. The jute producers are severely exploited and this question should be taken into account. Sir, the farmers, who are growing jute, are demanding atleast Rupees 600/- per quintal but the Government is not agreeing to give them more than Rs. 225/- per quintal.

MR. CHAIRMAN : The demand is reasonable.

SHRI HANNAN MOLLAH : Sir, the Government should accept this reasonable demand and the jute prices should be settled accordingly ; otherwise it will create problems, for our jute industry. In that way, it will create a problem for our foreign exchange earning.

The second thing I want to mention is about betel leaves. In West Bengal and Assam, large portion of land is used for producing betel leaves. The betel-leaf growers are facing serious problems. The total production of betel-leaf in our country is to the tune of Rs. 450 crores. About 15 lakhs families are directly engaged in betel-leaf production, and in the business all over the country lakhs of people are engaged. But there are so many problems

which the betel-leaf growers are facing. There is no proper transport available for transportation of betel-leaf which is a highly perishable commodity. There should be proper transport available to them. Government has also failed to explore the possibility of exporting betel-leaf to other countries. I urge upon the Government to give these growers a proper price, to develop proper transport and also to explore the possibility of export of betel-leaf to other countries.

The next point I want to make is regarding this Budget. Much has been said about increased allocations to anti-poverty programmes. I would like to point out that there is only manipulation and jugglery of figures here. It is claimed that the allocation for rural development has been increased by 65 per cent. But they are comparing it with the last year's budget estimates. If they compare it with the last year's revised estimates, the increase is only 22 per cent. They are saying from roof-tops that they have done this miracle. Even this 22 per cent increase will be negated by the price-rise. They are only trying to befool and hoodwink the people. They are shouting all these things from house-tops. I want to tell them that they cannot befool all the people for all the time.

Regarding RLEGP, the actual increase is only 4.45 per cent when you compare it with the revised estimates of last year. It has been increased from Rs. 606 crores to Rs. 636 crores ; the increase is only about 4.5 per cent. But they are shouting from house-tops that they have increased the allocations so much for anti-unemployment programmes.

Regarding NREP also, it is known for its notoriety for pilferage and misuse. They spend the money through contractors ; a lot of money is consumed by the middle-men and the benefits do not reach the poor. This point has been raised from both sides of the House.

Regarding unemployment, the number of the registered unemployed is about 2,55,00,000. In the last one year how many

[Shri Hannan Mollah]

people have got the jobs, we do not know ; Government has no proper figures regarding this.

So, this Budget is not helping the peasantry, it is not helping the poor. Ultimately this Budget will create unprecedented unemployment in the coming year ; it will create inflation and will throw a larger burden on the common people. It will perpetuate illiteracy in our country and the people will have to remain under eternal poverty. They are shouting so much about anti-poverty programmes, but this Budget will only land the country into perpetual poverty, perpetual illiteracy and unprecedented unemployment. I condemn this Budget and I oppose it.

SHRI SALEEM I. SHERVANI (Budaun):
Mr. Chairman, Sir, I rise to support the Union Budget for 1986-87 presented by the hon. Finance Minister. This Budget has been well received by all sections of the society with only a slight reservation about the uncovered deficit. I would request the hon. Finance Minister to give his clarification on that so that this doubt is also removed.

This Budget provides further thrust to anti-poverty programmes, promotes self-reliance and gives relief to the common man. This Budget also shows consistency with liberalisation of the economy and also with the long-term fiscal policy. It also proposes to promote the development of indigenous technology and indigenous research. I am sure that in times to come our country will benefit a lot. A lot of Members have spoken on all the aspects of the budget. I would just like to keep my statement very short—to just two or three points.

Our Government stands committed to root out corruption. But has the Finance Minister or the Hon. Finance Minister carried out an exercise to see why is there corruption ? What are we paying the people ? What are the benefits that the people are enjoying ? If we look at the salaries of the middle class or the Government employees, what is their take home

salary ? Are we paying them enough ? If we look at things practically we will find that today to have an income of at least Rs. 4000 a month is not a luxury ; but it is a necessity. The Hon. Finance Minister has given some relief on the standard deduction and I congratulate him for that. But this relief is not enough. We have to see that at least Rs. 48000 a year is a tax-free income, then only we will see a cultural change in our country.

The other point that I want to make is about the anti poverty programme. A lot of Members have expressed their reservations about it. We come out with very good schemes, we come out with very good programmes ; but what about the implementation of these programmes ? Unless the Government develops a proper feed back system by which we can monitor the programme, get the feed back from the people for whom these programmes are meant, we will not get the true picture. We will get only figures which will not reflect the truth.

We claim that so many people have been benefited by these programmes ; but when we talk to these people, when we go to our constituencies, we find what they are not even aware of these programmes. This causes a lot of problems. The Government has a lot of machinery. I find that they have an Information Officer in almost all the districts. Why can't our programmes be cyclostyled and sent to each and every Village Pradhan, so that the people are aware of what the Government wants to do for them ?

Lastly, Sir, I would like to make a point on the MODVAT. This is a new scheme which the Government is introducing. This scheme will help in controlling prices at the consumer level and needs all the encouragement that it should get. But there is a slight confusion, about this MODVAT scheme. I feel that the Hon. Finance Minister should give directives to all the Excise Department in every town to explain this scheme to the people who are going to benefit by this—the small and the large industries. The MODVAT scheme will decrease the cost of the final product through

the availability of instant credit of the duties paid on the inputs and consequential reduction of the interest costs. MODVAT should benefit both the consumer and the exporter and is certainly a more scientific way of taxing goods. I would like to thank you for the opportunity that you gave me. I am also proud that I could beat the bell.

MR. CHAIRMAN : Since you told that you would take only a short time, I did not ring the bell.

SHRI T. BASHEER (Chirayinkil) : Sir, with great pleasure I support the budget. I also take this opportunity to congratulate the Minister for this marvellous work.

This budget has proper direction and perspective. Opposition would not agree to it. As usual they have criticised it. criticised the Hon. Minister, the budget and the Government.

Due to lack of time I am not going into all these things. When I see the attitude of the opposition I am reminded of a Malayalam poem. It can be translated like this :

“Even in the mammary glands.
full of milk,

The mosquitos prefer the blood
rather than the sweet milk.”

Sir, I would like to confine myself to two-three important aspects of the Budget presented by the hon. Minister. First, as my colleagues have repeatedly said it lays stress on the public sector. Last year after the Budget our Opposition friends criticised it as pro-rich, anti-public sector and a deviation from our commitment to Socialism and so on and so forth.

Sir, the fundamentals of our social and economic strategy were laid down by Panditji and Indiraji. Our commitment to that strategy has been consistent. We have to build an Independent and modern economy. Self-reliance is our objective. This could be accomplished only through planning. The Congress and the Congress Government have never waived from this

path. Both the Congress party and the Congress Government are proud that they have built a strong public sector especially in the key sectors of the economy. The people of this country know this. The smoke screen spread by the Opposition could not mislead the people of this country.

The hon. Minister has correctly put it and I quote :

“Public sector has a key role in bringing about the transformation of our economic structure.”

He continues further :

“There are also a number of public enterprises whose losses have become a drain on the resources of the nation.”

The hon. Minister has also said that Government will be taking steps to improve the situation. Here I would like to say that much has been said in the past also about improvement in the efficiency and productivity of the public sector but the result had not been satisfactory. We have to do a lot. Radical changes are required to improve the situation. The management of the public sector should be accountable for results.

Sir, the second aspect I would like to touch is about anti-poverty programme. As already much has been said on this topic I would not go into the details but I want to say that the 20-point programme is the *magna carta* of the poor people of this country. We want to reiterate our commitment to great Indiraji's war against poverty. It is in this context that there is great emphasis in the Budget on anti-poverty programme. It is a welcome measure. The Budget envisages schemes and programmes for urban poor.

17.00 hrs.

The next point that I would like to make and on which a serious discussion has taken place in this House the other day is that some States are not utilizing the allocations made for anti-poverty programmes. There has been shortfall in expenditure against the total outlay for this. It is very disturbing. The Government

[Shri T. Basheer]

must look into this matter, monitor these programmes and keep a vigilance regarding implementation of these anti-poverty programmes.

Lastly, I come the approach for making proposals for raising the revenue in the budget. In this budget presented by the hon. Minister, the burden falls on the affluent society. Nobody will say that a budget without any taxation is the best budget only because there is no taxation. But what is the taxation meant for, that is the important question. To carry on the business of the Government, taxation is required. That is true, but there is also a social obligation in raising the resources, in imposing the taxes. What is that? I would say that it is to prevent disparity between the rich and the poor. That is the social obligation. I, therefore, congratulate the Finance Minister for that approach in this budget. I would be happier if in the coming years this approach is strengthened further in the budget. I hope that the Government will certainly move forward in that direction.

Now, I come to one or two points relating to the problems of my state. I will be failing in my duty if I do not touch upon the serious problems of my State, Kerala. Kerala has limited land area of 39,000 sq. kms. This narrow strip of beautiful and fertile land produces commodities like tea, coffee, cardamom and other plantation crops and earns a lot of foreign exchange. I am not going into the details of fate of our cultivators, because that has already been highlighted by other Members. Kerala has great potentials for development of materials and human resources which remain untapped.

The per capita Central investment in industry in the State is very low. The problem of educated unemployed in the State is acute. The figure of educated unemployees stands at a staggering figure of 23 lakhs. Kerala is a State which is industrially very backward. There is no heavy industry unit in public sector except the HMT Unit at Kalamassery. There is no major railway industrial establishment nor any ordinance factory.

I have received a reply to my Unstarred Question on 25th February, 1986 from the Government that there is no proposal under consideration to set up any heavy industry unit in the State during the 7th Plan. It is very distressing and disturbing. The traditional industries of Kerala like coir, cashew and handloom are in the doldrums. I would draw the attention of the Government to come forward and help these sectors.

Thousands of our youngmen are working in the Gulf countries. Now, the situation is taking a new turn. The remittance from those working in the Gulf countries was at one stage more than the State revenue per year. But now the Gulf boom is over. The exodus back home has begun. This will have serious repercussions on the economy of the State. So, I would plead with the Minister to take necessary steps immediately.

SHRI DIGVIJAYA SINGH (Rajgarh):
Sir, I stand up to welcome the budget presented by the hon. Finance Minister. Sir, we have lived upto the promises that we made to the electorate. We have said that we shall not tax the poor and lower middle class. And we have not taxed them. For the first time, urban poor, such as cobblers, rickshaw pullers, washermen, porters, sweepers, barbers, hawkers, etc. have also been included in the ambit of financial aid. We should be very careful because there may be a flood of beneficiaries asking for to the implementing agencies, so that the poorest of the poor are chosen and the scheme should be well thought of and well structured also.

17.06 hrs.

[SHRI ZAINUL BASHER *In the Chair*]

65 per cent of increase in the anti-poverty programmes is another promise which we have fulfilled. We have also fulfilled our promise with regard to the Indira Awas Yojana for the Scheduled Castes and Scheduled Tribes. But regarding the scheme pertaining to the State Governments, we should be careful and we should see to it that it is fairly flexible so as to suit the living conditions of a particular State or a particular area.

We have also brought in a scheme for accident insurance to municipal sweepers and porters. Concessions to labour have been provided. There has been an increase in the rate of interest on the GPF. We have also given concessions to fixed income groups. Cheaper foodgrains are being provided to the tribals and this is one of the most important things and we congratulate our Prime Minister who has fulfilled his promise.

We have also promised that ours would be a Government that works faster. By showing 5 per cent growth in GNP, 7 per cent growth in industrial production, 15 per cent growth in thermal power generation, 9 per cent growth in railway freight, 10 per cent growth in coal production, 22 per cent increase in tax collection, increase in the plant load factor of the NTPC thermal plant, etc. are an indication that here is a Government that works faster.

But the most disappointing features of the last year's Budget has been the poor response from the public sector. It was promised that the resources from the public sector will be about 53 per cent and the remaining 47 per cent from the Budget. But we see in 1985-86 that only 34 per cent is coming from the public sector whereas 66 per cent has to be fulfilled through the Budget. This naturally puts a severe constraint on the budgetary system and a very serious look into the public sector working is called for by the Government.

Sir, wasteful expenditure should be curbed in the public sector enterprises. Performance of all the public sector units which have a turn over of more than Rs. 500 crores should be discussed in Parliament. It has been the practice that their performance is discussed in the Parliament, but there are so many enterprises in our country on which there is no serious debate in the Parliament. Therefore, I would request our Finance Minister and our Prime Minister that all public sector enterprises with a turn over of more than 500 crores of rupees should be discussed in the House of Parliament so that their acts of omission and commission are discussed thoroughly and the managers and tsars of the public sector enterprises are brought to book. At the same time, I would

also like to mention that there are a number of uneconomic public sector enterprises in the country, whose functioning needs to be looked into. We should take clear cut decisions to close down all these uneconomic units.

Purchase of machines and material is one of the greatest sources of corruption in the public sector enterprises and this has to be closely scrutinised. In the last year's Budget, the rationalisation of the direct taxes was done and this has contributed to a very large extent in the realisation of the higher revenues. I feel that you have given a concession to the fixed income groups by increasing the limit of standard deduction from Rs. 6,000 to Rs. 10,000. I feel that this should be given to the self-employed people also. There was a promise made in the last Budget speech that the non-plan expenditure would be cut down, but we see that it has been increased by Rs. 2463 crores which proved to be detrimental in our last year's economy. I propose that the Finance Minister should come about with a flat cut of 5 per cent in all the non-plan expenditure of all the Departments, if he does that the total deficit of the Budget would be reduced to half. The major contributors in the non-plan Budget is subsidy to the feed and fertilizer sectors. The efficiency of the Food Corporation of India and the fertilizer projects of this country has to be improved so that the subsidy component could be reduced. I am sure some exercise must have been done by the Minister, but at the same time, a very serious look has to be made. There is an imbalance in the foreign trade and I would request the Finance Minister to have a look at the import policy and to see whether we have to import technology of consumer and luxury items or not. We should be careful in our import policy so that the foreign trade imbalance is not created.

Sir, agriculture is one of the major sectors of our GNP. There it has to be increased. In the production of oilseeds, pulses and sugarcane, the import bill should be reduced. The biggest incentive to the farmer is the price incentive. I would request the hon. Finance Minister and the hon. Prime Minister, if they want a change

[Shri Digvijaya Singh]

in the cropping pattern, a definite price incentive to the farmer for that particular crop to be given if you want the import bill to be reduced.

Now, a special scheme for soyabean production in Madhya Pradesh was given. I want that to be continue in the industrial sector also. If you see that Budget, a very marginal percentage has been given to the village and cottage industries which give the maximum employment in this country. I would request you to raise the budgetary provisions of the cottage and village industries so that it can be improved. The subsidy given to the large and medium industries also, a very close look has to be made so that the benefits of budget do not go to the large and medium industries. They should be given to the cottage and village industries.

I propose, an increase in the KVIC Budget also. But at the same time, very close monitoring has done in the *Khadi* production because the subsidy has been misutilised by giving higher figures of production.

In conclusion, I would say that the hon. Prime Minister in his historic speech in Bombay had challenged the nexas of the corrupt three in the country—the corrupt businessmen, the corrupt bureaucracy and the so called power broker. By the actions in the following months, he has shown his will to act against the nexas of the corrupt three. I strongly welcome the action taken against the big houses. I would conclude, but at the same time, I would request that harassment by the lower officials, businessmen or for that matter any person should be curbed so that the honest effort which the Prime Minister is making to curb the blackmoney and taking action against the hoarders and the profiteers is taken in the right direction. There is a very powerful lobby in this country which is trying to scuttle the move made by the hon. Prime Minister and the Finance Minister. We have to fight it out, and the masses today have to fight this battle. There should be no compromise at any level, I strongly

recommend that the strong action taken against all these persons should be more stringent.

I welcome the Budget. And I thank you for the opportunity given to me.

[*Translation*]

SHRI MOHD. MAHFOOZ ALI KHAN (Etah) : Mr. Chairman, Sir, Is Shri Bairagi present in the House ? When the hon. Finance Minister had presented the Budget in the House, he had quoted an urdu couplet. I would like to reply back in verse, I would like to read an urdu couplet

*Bahut Shor Sur te the Pahlu Mein Dil Ka,
Jo Chitra to Ek Katra Khoon ka Nikla".*

The same is true about this Budget. I have quoted this, because there has been much din about Budget for the last two or three days. (*Interruptions*)

SHRI RAM PYARE PANIKA (Robertsganj) : How can you say that ?

(*Interruptions*)

[*English*]

He cannot say that, because here is a Minister taking down notes

[*Translation*]

SHRI MOHD. MAHFOOZ ALI KHAN: Kindly listen to me first. You get immediately provoked as soon as you hear a couplet. You will get blessings at the end. Regarding Budget I had only to submit that everyone has expressed his own view about it. Whatever one thinks or feels, he expresses it in that way. To my mind this Budget is a mere formality. In fact the Budget was presented much earlier, when the diesel, petrol and fertiliser prices were hiked. I fail to understand as to why the prices of petrol, diesel, fertiliser and medicines were hiked prior to the Budget ? Tears have been shed and now this is mere consolation.

SHRI RAM PYARE PANIKA : This is mere eye-wash.

SHRI MOHD. MAHFOOZ ALI KHAN:

Yes, it is just an eye-wash. You are sitting in this House. Kindly go and visit your constituency and see for yourself as to what is happening there .. (*Interruptions*)

MR. CHAIRMAM : Kindly let him speak. Mohd. Mahfooz Ali Khan Sahib why are you discussing it with them. You address me and not them.

SHRI MOHD. MAHFOOZ ALI KHAN:

Mr. Chairman, Sir, for examining a budget, we have to see it from many angles. This is a deficit Budget. It is therefore but natural for the Government to levy taxes to raise the resources and to cover the deficit. The Government has levied taxes in such a way which has benefited the industrialists. You only look towards towns and cities. I request you to see the plight of those women in the rural areas who deliver children on the foot paths, do not have much to eat or cover their bodies. Those who speak here, they should visit their constituencies and only then will they come to know about criticism. The criticism of Budget is not going on in aeroplanes, but it is going on at tea-stalls at railway stations and in the railway compartments. It is being criticised by those who are badly affected by it. This Budget does not have anything special and instead it has been prepared keeping in view the Congress party's manifesto. There is nothing else in it. Much has been said about it from both the sides, opposition as well as the ruling party have given statistics to support their view points, but I would not like to repeat it. I would like to submit that our hon. Finance Minister—who has been an ex-Chief Minister of Uttar Pradesh—had launched a campaign to liquidate dacoits and goondas from Etah district. No doubt he was successful in liquidating many notorious dacoits and goondas, but has he ever tried to find out the reasons as to why so many young men take to dacoity and goondalism in this area? Why is it a poor and backward district? Etah is the most backward district in Uttar Pradesh. Neither any attention has ever been paid to it nor any provision been made in this Budget for this district.

The work on the railway line which was being constructed in the area has come to a standstill. If it is extended it can improve the situation there and benefit the district. There is no Government college, no good hospital and no industry in the area.

When Shri Narayan Dutt Tiwari was the Chief Minister of the State, he convened a meeting on 16.6.85 in Etah district and proposed to set up a spinning mill there. Now that spinning mill is not being set up there whereas it should have been set up. Instead of setting it up in the most backward area of the district, it is being set up in a better off area.

I think it should have been set up in Aliganj area, which is the most backward and crime prone area in my Constituency. Instead of that, the Congress MLA is trying his level best to set it up in his own Constituency. There is need to see it in the proper perspective.

The Ganga flows through our district. There is need for a bridge on it to link Badaun to Etah. I, therefore, request the Government to make provision for it in the current Budget. This would help in providing a link between Badaun and Etah. This bridge should be constructed at Kadar Chowk or Kadarganj.

SOME HON. MEMBERS : We support this proposal.

SHRI MOHD. MAHFOOZ ALI KHAN: I will also not let you speak when it is your turn. When you speak, we remain silent.

MR. CHAIRMAN : Why are you wasting your own time?

SHRI MOHD. MAHFOOZ ALI KHAN: I would like to say a few words about anti-poverty programme. Is the 20-point programme being implemented in letter and spirit? The brokers are pocketing the money advanced by the banks to the poor. The entire loan goes into their pockets and the poor is deprived of it. The corruption is so deeprooted and has crossed all limits that at times one wonders whether there is

[Shri Mohd. Mahfooz Ali Khan]

any Government in the country at all or not? There is no limit to corruption among subordinate staff and employees. There is an urgent need to improve the prevailing situation.

SOME HON. MEMBERS : We support even that.

SHRI MOHD. MAHFOOZ ALI KHAN: I will not add much to this and request the Government to pay heed to, what I have said. There is no sugar factory in Etah district. I do not know as to what I should draw the attention of Government as there is nothing in my district? The hon. Finance Minister will arrive just now and say :

Fakirana Aaye, Sada Kar Chale

Mtyan Khush Raho, Hum Dua Kar Chale.

He will say this and return back.

SHRI NARENDRA BUDANIA (Churu) : Mr. Chairman, Sir, I thank you for giving me an Opportunity to take part in the General Discussion on Budget. This is my maiden speech as I have recently been elected to the House.

I rise to welcome and support the 1986-87 Budget that has been presented by the hon. Finance Minister in this House. It is a very balanced Budget. The Budget fully meets the expectations of the people for which I thank and congratulate him. Proposals and programmes contained in the Budget will take our country forward on the path of progress. I would like to thank our young Prime Minister on behalf of poor people of our country, for such a fine and balanced Budget presented under his leadership. Provision has been made in the Budget for National Rural Employment Programme and Rural Landless Employment Guarantee Programme which are such programmes which will take our country towards progress.

In our country 80 per cent of our population is living in villages and they also expect development of their villages and the rural poor who are landless also expect

some employment for them. Our hon. Finance Minister has taken due care of them. These programmes are very useful for our rural development. Schools and hospital buildings are constructed and new libraries are opened under these programmes. These are very welcome measures.

Such steps have been taken in this budget which will minimise the cases of tax evasion and will increase the Government revenue for which I thank the hon. Finance Minister.

Sir, my constituency is a very backward and famine prone area. Eighty per cent people in my constituency are farmers. Hon. Finance Minister has taken so many measures for the farmers in this budget for which he deserves appreciation. I would like to submit that today Indian farmers are in great difficulty. Prices of all the agricultural products which are produced by the farmers, are fixed by the purchasers, whereas industrialists themselves fix the prices of their products. I, therefore, suggest that cost of agricultural products should be fixed on the basis of agricultural product and cost of production.

Sir, today, there is no industry in our area, which might contribute for its development. Our area is the most backward area in Rajasthan. If one Fertilizer Industry is established there, unemployment will be removed and people will also get some work.

I do not want to make a lengthy speech but I would like to submit that our farmers should make progress and should increase agricultural production. For this purpose, cost of agricultural inputs should be reduced. With a view to help increase the agricultural production, more and more Agricultural Engineers should be produced and for this purpose agricultural Engineering Colleges should be opened. I would like to suggest that my area is a very backward area and there is no Engineering College, and hence a provision should be made in the Budget to open an Engineering college there.

Just now one of my friends had said about water supply projects. I would like to say that in Rajasthan, Nature and God also make planning alongwith Government.

When God desires, then only there is rain. The area has been stricken by famine continuously for the last four years. Farmers and labourers are greatly distressed there. Scarcity of water is a main problem before them. Even Drinking Water is not available to them. I would like to tell you about the condition in my own constituency and also about my own native village that water is not fit for drinking. This problem can be solved only when water from Indira Gandhi Canal is supplied to my area. A number of drinking water supply schemes have been formulated which are pending with the Government. I would like to request through you, Sir, that sanction may be accorded to all such schemes in this Budget so that drinking water problem could be solved.

There should be more provision for lift irrigation schemes. I would like to thank you for giving me an opportunity to speak and I also congratulate the Finance Minister for presenting Budget in consonance with expectations and wishes of the people.

SHRI RAHIM KHAN (Faridabad) : Mr. Chairman, Sir, I support the Budget presented in the House, I welcome the Budget and thank the hon. Finance Minister and Hon. Prime Minister Shri Rajiv Gandhi for presenting such a fine Budget and giving special importance to take forward the country towards 21st century. Before, I speak on the Budget I would like to give reply to Mr. Mahfoozji :

'Khudaa Ne Aajtak us Koum ki haalat nahin badle.

Na Ho jisko Akal Apne Ap Apnee Haalat Badalne ki.

Our opposition friends, who are completely defeated and demoralised, are now making noise to disturb peace in the country :

Na Samjhoge A - Hindostan Walo to mit jaoge.

Tumhari Dastan Tak Bhi Nahin Hogi Dastanon Main.

Keeping in view the prevailing circumstances of the country, you should feel your respon-

sibilities. Before criticising others, one should see as to what he is doing ?

This Budget will improve the condition of the poor, Schedule Tribes and other backward classes. Upliftment of the downtrodden was a goal of our late Prime Minister Mrs. Indira Gandhi. Our young Prime Minister Shri Rajiv Gandhi has taken steps to provide clean administration to the country and to eradicate poverty. Special targets have been fixed in the Budget for the development of the rural poor and backward people.

Sir, I wish to draw the kind attention of the present Minister that he should feel his responsibility and all the programmes included in the budget should be fully implemented by bringing about coordination among various Government departments and Government officers. He should realise his responsibility towards implementation of these programmes.

I want to say that we should not only depend upon this budget that we have prepared very good Budget, but we should pay attention towards basic things as well, which are so essential for the country. Agriculture is the base of our country. Eighty per cent of our population is engaged in agricultural work, in which labourers are also included. Agriculture is the foundation of our country's economy, hence we should pay special attention towards it.

Farmer produces foodgrains, but he gets a very little share of its cost. Farmer produces the grains, but its cost is fixed by others, whereas for other products in the country, the prices are determined by the producers themselves. This is a great conspiracy against the landlords and cultivators. I want that landlords may not be ignored. On the other hand, cost of farm machinery and implements used for agricultural work has gone up by 15 to 16 times in the recent past. I want that cost of such things should be reduced. Previously DT-14 Tractor was marketed in India which was quite cheap but now its sale has been stopped. I request that its import may again be allowed or its factory in collaboration with USSR may be set up in India. Such a factory may be set up in a backward area, so that people o

[Shri' Rahim Khan]

that area may get employment in that unit. In my view there are certain shortcomings in the Budget which may put the poor, Labourers and small industries into losses and towards this fact I would like to draw the attention of the hon. Minister. For example excise duty has been imposed on the Portable Typewriters and as a result, its price has gone up from Rs. 2,200 to Rs. 2,700.

Whenever a residential colony is planned in cities, plans are prepared for the provision of facilities of electricity, water supply and sewerage. But when rural labourers come to cities, their huts are dismantled. What I mean to say is that a great difference has been created between rural and the urban people. In rural areas there is no arrangement of electricity, water and sewerage. If drinking water facility has been provided at some places, no drainage system has been developed there. Because of this slush is formed in the villages. In the absence of lavatory system in the big villages, the women folk have to face great difficulty. So sewerage system should be provided in small as well as big villages. Atleast in small villages, four walls should be constructed on the side of the village so that the women folk may defecate there. One feels great shame at the sight of women defecating on the sides of the roads. The Harijans (Balmikis) should be allowed to let loose animals there at a fixed time so that they may clean up the area. These steps should be taken in respect of villages.

So far as the schemes for granting loans, twenty point programme and other programmes are concerned, injustice has been meted out to the villages. Corruption is prevalent in every department. The villagers do not get loans easily. This should be looked into,

Under the employment schemes for the unemployed youth, loans are provided to them, but actually they do not reach them. This should be looked into. Besides loans, permits etc. for the mini buses should be given to them. Permits for petrol pumps and gas agencies should be given to the general public as well. Under the present

legislation only millionaires and multi-millionaires are able to obtain permit for petrol pump and gas agency or it is given to some harijans and rich persons get it from them. Licences and permits should be freely available to all so that the unemployed youths may also get them. Permit for mini buses should also be given to these unemployed persons. This will help in removing unemployment.

In the matter of education, there is wide gap between village and city. In the cities a number of English medium schools are being opened. If some Engineering College is opened in the village, the state Government does not grant recognition to it. For example, a Muslim Engineering College is functioning in Meerut District in which 900 students are receiving education. It has not been granted recognition by the State Government for the last two years. There should be no difference in the education provided in the village and in the city. The standard of education in villages and cities should be the same. Also the syllabus should be the same in the entire country. Earlier the country was divided in various States on the basis of language and now a new class of I.A.S. has come up which does not want to entertain the poor. If there is difference in the education being provided in villages and cities, a new Cadre or class will come up in the country and the poor man will continue to remain backward. The village will also not be able to make any progress. This difference should be done away with.

With these words I convey my thanks to you for giving me an opportunity to speak.

CH. SUNDER SINGH (Phillaur) : Mr. Chairman, Sir, I convey my thanks to you for giving me an opportunity to speak. This is pro-poor and pro-farmer Budget. This Budget takes care of the interest of small scale industries and other people. There is no doubt that this Budget contains the philosophy of Mahatma Gandhi, Rajiv Gandhi and Pandit Jawahar Lal Nehru. Pandit Jawaharlal Nehru had said :—

[English]

I trust that the greatest and the most important question in India today is how to

solve the problem of the poor and the deserving. Wherever we turn, we are confronted with this problem. If we cannot solve this problem soon, our paper constitution will remain useless and purposeless.

What he said is relevant today, as it was relevant then.

[*Translation*]

It has been said about Rajivji in this Budget—

[*English*]

Our Prime Minister, Shri Rajiv Gandhi reminded us not long ago :—

“Development must be accompanied by equity and social justice—by removal of social barriers that oppress the weak. This is the essence of our concept of socialism”.

These objectives have guided the formulation of this Budget.

[*Translation*]

Hence, this Budget is a Budget for the poor and it is in the interest of all. I would like to draw your attention to what Mahatma Gandhi has written :

[*English*]

“I was born. I do not want to be reborn. If I have to be reborn, I should be born as an untouchable so that I can share the sorrow, sufferings affronted upon them. I, therefore, pray that if I have to be reborn, I should not be born as a Brahmana, Kshatriya Vaishya or Sudra but as Adisudra”.

[*Translation*]

Therefore, this Budget is a Budget for the poor.

*Amal se dunta banti hai Jannat ya Jahar.num
bhi,*

*Ye khaki apni phitarat hai, na nuri hai na
nari hai.*

The benefits of all the programmes which are formulated by you are not passed on to the poor. All the programmes which are formulated for the poor with a view to remove poverty are actually not implemented fully. Why do such programmes remain incomplete ? The reason is that the officers employed in various Departments jeopardise them. People come to me and I go to the Minister with their complaints. The Ministers make their comments on them, but no action is taken on them. There is such a deplorable condition in all the Departments. The schemes are not implemented in the rural areas where the poor are living. The educated people who have been appointed as officers are adopting a very wrong approach. They do not look to the problems seriously. Even if a person goes to a Minister, no action is taken. From all this one comes to the conclusion that we do not have any leader today except Shri Rajiv Gandhi. Our one leader was Dr. Ambedkar who is no more among us and our another leader is Shri Jagjivan Ram who has joined that side. Now there is no body to listen to us. There is only one leader Shri Rajivji who can listen to us. When Indiraji was alive, she used to look after our interests, now except Shri Rajivji there is no body else who could listen to our grievances. Even the Ministers do not pay any attention to our complaints. Secretaries to Ministers do not follow the directives of the Ministers. If there is an anti-Harijan incident, it is, of course recommended by them. Whenever a Harijan is harassed, he comes to me and I go to the higher authorities, but no action is taken. This system is not good. I feel very much concerned about this system. This system is required to be corrected. Earlier Shri Jawahar Lal Nehru used to be our leader. I had met him and got the land allotted to Harijans in Punjab-Haryana. Now they can face any circumstances and any people. Whosoever is the owner of the land, he wields the power and one who does not possess any land is very weak. It is at this point that our system has failed.

The Budget is all right. I am not speaking against the Budget, but we would be satisfied only when we would be having a feeling that actually we are having a leader. We have only one leader today and nobody else listens to us. I am going to finish within two or three minutes.

[Cb. Sunder Singh]

There is democracy in our country today, but people are not allowed to express their views. When the people from the other side criticise, they are asked not to interrupt. If these people do not criticise, how could there be improvement among us. Whenever any person from that side speaks, Shri Panikaji interrupts. This should not be done. I do not say this. This has been said by Mahatma Gandhi :—

[*English*]

“Democracy is not a state in which people act like sheep. Under democracy, liberty of opinion and action is jealously guarded. I, therefore, believe that the minority has perfect right to act differently from the majority.

Young India, 2nd March, 1922”.

[*Translation*]

In the end, I would like to draw your attention to certain problems in my area. A survey for Shri Hargovindpur Beas bridge has been carried out and it has been sanctioned, but no allocation has been made for its execution. With the construction of this bridge, the distance between Hargovindpur and Jalandhar would be reduced by 100 miles. Therefore, funds for this project should be sanctioned immediately. A second bridge on the river Satluj at a place between Rahon and Machhiwara Road in Tehsil Nawanshahr (Jalandhar) is required to be constructed. In case a bridge is constructed there, then the distance to go to Ludhiana will be reduced by 100 miles and Military could go to Nawanshahr directly *via* Samsela. As this bridge falls in the area of Hindu majority, it has, thereof, not been constructed so far. I had thought that when I would be elected as M.P., I would request the Central Government to get it constructed, but it has not been constructed so far. Another bridge should be constructed at a place where at least 100 villages are cut off for a period of three months during the rainy season. Such a bridge should be constructed on Ravi at village Kithlaur in District Gurdaspur. There is one tributary of river Ravi. With

the construction of that bridge also, present road distance to go to Jammu and Kashmir would be reduced by 100 miles.

(*Interruptions*)

[*English*]

You be of good cheer and believe that we are selected by the lord to do great things and we will do them. Hold yourself in readiness. Be pure and holy. Love for love's sake. Love the poor, the miserable and the down-trodden. God will bless you.

[*Translation*]

I would also like to tell one thing that the people who want to gain at the cost of the society will not succeed.

.....(*Interruptions*)

[*English*]

All expansion is life, all contraction is death. All love is expansion, all selfishness is contraction. Love is the only law of life.

He who loves, lives. Who is selfish is dying. Therefore, love for love's sake, because it is the only law of life.

— Vivekananda

[*Translation*]

The Harijans do not have a house or a shop or land or any other assets. He only raises the slogan of 'Bharat Mata Zindabad'..... (*Interruptions*) I thank you very much for giving me an opportunity to speak. I support this Budget.

SHRI GANGA RAM (Firozabad) : Mr. Chairman, Sir, I rise to support the Budget presented by the hon. Finance Minister. Just now, the hon. Members from our party as well as from the opposition described the Budget as splendid. The reason being that the mind of our Finance Minister is very clear—"Manasa Vacha Kasmana." As are his mind and words, so are his actions. His words and intentions

have been reflected in the Budget presented by him. I congratulate him for presenting such a good Budget. The hon. Members from our party have welcomed this Budget open heartedly whereas those from the opposition have shown some miserliness in this regard. I congratulate the hon. Finance Minister for presenting such a fine budget because when he had announced the long term fiscal policy, we had an idea as to what would be the trend of the Budget. He deserves congratulations, because he has presented the Budget on those lines. After having gone through the Budget in depth, one important thing which I could make out from this Budget is that this is a socialistic budget, the reason being that the hon. Finance Minister has tried to give facilities to all classes, such as, the rich the capitalists, the poor and the middle class.

Sir, we have witnessed some uproarious scenes during the last few days because of rise in prices. I have just returned from my constituency. There I asked the people whether the rise in price has hurt them? They replied that they have been hit in one item only, i.e. kerosene oil. It would have been better, had the price of kerosene not been increased. The rest of the items have not hurt them. Therefore, I would request the hon. Finance Minister to do something to reduce the price of kerosene.

Sir, I would congratulate the hon. Finance Minister that the taxes levied by him are very little. There is no escape from the taxes. But I would like the hon. Minister as well as this august House to remember the following Urdu couplet of Anwar Mirzapuri :—

*Phool kuchch is trah tod ai bagban
Shuakh hitne na paye na awaz ho
Varna gulshan mein raunak na phir ayegi
Dil gar har kali ka dahal jayega.*

Therefore, the taxes should be levied in such a manner that they do not hurt one and all. This is what Chanakya says, this is what Kautilya says. When the taxes are to be levied on the people, they should be

just like milking the cow. It is very gratifying that the hon. Finance Minister has adhered to this principle and observed this rule. The people have not been hurt as the hon. Members from the opposition made it out to be.

Sir, the main point that I want to raise here is that two-three things have been left out of this Budget to which I want to draw the attention of the hon. Minister. Land reforms have found no mention in any of the two parts of this speech. Today, there is a greater need to give thought to land reforms, we must ponder over it. We have said nothing about land ceiling in the Budget. Similarly, nothing has been mentioned about the housing sites that are given to the poor. Once I had suggested to our chief Minister that 'Nazul' land lying vacant in urban areas should be distributed among the poor people for construction of houses in the same way as land has been distributed among the poor Harijans in rural areas. I request the hon. Minister and the Central Government as well to consider this point.

Sir, one thing I would like to tell this august House and to the Government that on the one hand our party and the Government are committed to the welfare of the poor, but implementation is not upto the mark. Right from the beginning Mahatma Gandhi awakened the society for the upliftment of Harijans. We created atmosphere to remove the sufferings of these poor people, Dr. Ambedkar rallied the people to fight for their rights, on the other hand, late Shrimati Indira Gandhi implemented the great principles of these two and today our country has got the leadership of our present Prime Minister, Shri Rajiv Gandhi under whose leadership these programmes are being implemented and he will see that these programmes are fully implemented because his heart is full of compassion for the poor. Just now, Choudhary Sunder Singh has read a part of English portion of the Budget speech referring to the Hon. Prime Minister which has been very well translated into Hindi, The English version is ;

[Shri Ganga Ram]

Development must be accompanied by equity and social justice—by removal of social barriers that oppress the weak. This is the essence of our concept of socialism.

17.59 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

Here I am reminded of a poem of Neeraj —

*Har aankh yahan yoon to bahut roti hai
har boond magar ashk nahin hoti hai
per dekh kar ro de jo jamane ka gum
us aankh se aansoo jo gire, mott hai.*

Judging from the policies of our party and the attachment our Finance has with the poor, I am fully sure that the lot of the poor will improve.

18.00 hrs.

Exclusive paragraphs have been devoted to these programmes in the Budget, especially, National Rural Employment Programme, Rural Landless Employment Guarantee Programme, Integrated Rural Development Programme and Indira Housing Scheme for the scheduled castes and they will benefited from these programmes, I believe.

I want to raise another point before the House. Recently, I had attended 3-4 meetings of the Block Development Committee. All were unanimous on one point. The committees had Harijan Gram Pradhans as well as non-Harijan Gram Pradhans. With one voice, they said only one thing. I want to mention it, because our Minister of State in-charge of Banking is present here. Banking system needs to be given a serious thought by this House also.

The system of subsidy introduced by you is proving to be very agonising. It is also encouraging corruption. The people told us about a case where-under a person takes Rs. 3,000/- for the purchase of a

buffalo, he issues its receipt to another person also who manages to get subsidy on that receipt and the subsidy so received is shared equally by both. Middlemen and Commission agents also have their shares in it. The entire society is responsible for it. We told them that whom can we blame when the entire lot is rotten. Therefore, you reconsider the question of giving subsidy. You give them interest free loan so that this system of subsidy is abolished and the activities of the middlemen and commission agents could be brought to an end. These middlemen are right from the Accountant to V.L.W., B.D.O., Tehsildar and Bank Manager and as long as the loanee does not part with Rs. 1000/- out of a loan of Rs. 3000/-, he does not get money from the Bank. It is they who suffer while getting 4 per cent D.R.I. loans. The poor man thinks that he is getting a subsidy of Rs. 1000/-, but he gets only Rs. 500/- and the remaining amount of Rs. 500/- goes into the pocket of the middlemen.

You have also referred to electrification in the Budget Speech. You would nowhere find corruption as rampant as in electrification. With regard to rural electrification, it is seen very commonly that though the electrification of the entire village has been approved, yet only those who pay bride get electricity connection. The same is also true about the tube-wells. Those who pay bride get electricity connection for state tube-wells in their area and those who do not pay illegal gratification do not get connection. This should be looked into.

You have also referred to drinking water in the Budget. Out of 2,30,000 problem villages, you have already covered 1,92,000 villages. Thus only 39,000 villages are such which you want to cover under drinking water supply schemes. In this connection, I must mention Bah, Jagner and Fatehabad areas of my constituency where drinking water problem is very serious. In the last session also, I had told that last year a tin of water was sold in Jagner for Rs. 5/-. Since the prices have risen now, I think during the ensuing summer season, a tin of water would cost Rs. 6 or 7. Therefore, we must pay attention to make provision for supply of drinking water.

Special instructions should be given to the Government of Uttar Pradesh that the funds which have been allocated in this regard should be most'y utilised in Agra and Ferozabad constituencies.

Some hon. Members have rightly said that though our policies are very good, but these are not being implementing properly. Those who are implementing the policies of the Government, their intentions are not good and because of this there is wide-spread corruption and the administration gets a bad name. I, therefore, request you to keep a close watch over implementation.

Besides, as we have consultative committees and they have set up grievances cell, similarly such grievance cells should be set up all over the State in order to curb corruption.

With these words, I feel highly obliged to you for giving me an opportunity to speak.

[English]

THE MINISTER OF STATE IN THE DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI GHULAM NABI AZAD): Mr. Deputy-Speaker, I propose that the time of the House be extended by at least one hour.

SHRI G. L. DOGRA (Udhampur): No.

SHRI GHULAM NABI AZAD: You are saying 'No' because you have already spoken.

SHRI G. L. DOGRA: It is unfair to say that I have already spoken because I was not allowed to speak properly. Justice was not done to me. There are some Chairman who feel very uncomfortable when they are in the Chair and they do not allow us to speak. Only the Deputy-speaker is inclined to give time.

SHRI P NAMGYAL (Ladakh): I support him, Sir. That is the general

complaint here. We should not sit late because we have been sitting without lunch-break also.

SHRI GHULAM NABI AZAD: If they do not want to speak, I have no objection. Let them withdraw their names. But if they want to speak, than the time of the House should be extended.

MR. DEPUTY-SPEAKER: Shall we extended by one hour? Whatever may be have happened, whether justice was done or injustice was done before, now justice will be done to all the Members.

SHRI MOOL CHAND DAGA (Pali): Will we be allowed to speak tomorrow?

SHRI GHULAM NABI AZAD: Not tomorrow.

SHRI MOOL CHAND DAGA: Then the time of the House may be extended.

SHRI G. L. DOGRA: Why not sit one hour earlier tomorrow?

MR. DEPUTY-SPEAKER: That is not possible. We shall extend the time by one hour. I hope, the House agrees... Yes. It is extended by one hour. Mr. Kammodilal Jatav.

[Translation]

SHRI KAMMODILAL JATAV (Morena): Mr. Chairman, Sir, I rise to support the Budget presented by hon. Finance Minister. Many provisions have been made therein to eradicate poverty.

The Indira Gandhi Housing scheme will greatly benefit many poor people. This scheme would provide houses to those who do not have a roof over their heads. In this connection, I would request that only those families which do not own even a single house and have four children should be provided houses. It should not happen that one family owns 2 or 3 houses while another owns not even a single house. A survey should be conducted for this purpose. Those who do not have sufficient means

[Shri Kammodilal Jatav]

should be provided houses on priority. Besides, sewing and stitching centres and 'Charkha' Centres should be opened near housing schemes at the block level for the benefit of the poor.

Government has made necessary arrangements to supply seeds and fertilisers to farmers and as a result of this there has been substantial increase in the production of foodgrains. Foodgrain is produced in such a large quantity that it is also being exported now.

Besides this, I welcome the efforts made by Government regarding education. This would enable in establishing more schools in the country and thereby propagation of education among the children in our country will get a new boost.

I would like to make one submission regarding my area. I had raised this issue in the Madhya Pradesh Assembly also when I was an MLA there. You must have heard the names of Putlibai, Lakhan Singh, Pan Singh and Man Singh. I am referring to that area i.e. Morena. I had requested that a bridge on Chambal river may be constructed there. River Chambal flows in between Ambah Tehsil of Morena district and Bah Tehsil of District Agra. If a bridge is constructed there, it would not only resolve the age old problem of dacoits, but also provide an easy link between the two points.

Vijaypur and Karhow are two hill areas in Morena region. There is no drinking water facility in the area. If the Government makes arrangements for Water Supply, this problem can also be solved. I would also like to submit that last time, the Petroleum Minister, Shri Sethi had made an announcement to set up an oil refinery at Morena, but work for it has not been started so far. I, therefore, request that oil refinery should be set up there.

With these words I thank you giving me an opportunity to speak.

[English]

SHRI GOPESHWAR (Jamshedpur) : Mr. Deputy Speaker Sir : I have some points to make. The proposals in the budget are very ambitious. But the main point is about the machinery for implementing these proposals. The difficulty is that the administration of the projects requires a lot of improvement. We have a Civil Service which has its origin in the British system with the main purpose of administration. But besides administration, if that very service is given the task of administration of social service, it lacks that content. Therefore, the greatest danger to the success of the Plan or the budget proposals is the lack of bureaucratic determination and dedication. I would request the Finance Minister to take care of this aspect.

The second aspect is about the element of import in the implementation of projects. For example, for Steel there is an allocation. But the allocation for import of materials for steel production is much more than the allocation for steel industry. If the mini steel plants there is a proposal of import of about Rs. 1500 crores. Then there will be another import of steel, there will be another import of coal. This way you will find that the technological improvement of the industrial development will not help us in the long run unless there is a short break of such inputs and there is proper utilisation of our resources.

The third point which I would like to mention is about the employment prospects. We talk so much of employment. Employment cannot be done through technology. Employment can be done through the administration of all the programmes which you have made for the villagers and also for such other projects which are related to them. This is a very important thing which we cannot ignore. This has to be taken care of in the context of the national improvement. I would like to say that the budget should be welcomed by all of us but the budget should not contain any type of further element of administration. That will not help. In that context we should see that the amount of money spent on administration does not increase.

Sir, I come from a constituency in which four segments out of a total of six segments are rural and the other two are industrial. My constituency pays the highest freight. It also pays the largest amount by way of excise. I come from Jamshedpur. It has forest wealth, copper, steel, engineering but the per capita of the people there is the lowest. There is no investment from the Central or State plan which can ensure better quality of life. Suvarekha project seems to have no present either at the Centre or State and the way it is going on it will take 100 years to get completed. In the same manner we require lot of survey and home work in all the places where there is scope for employment and improvement.

Now, I want to say a word about labour participation in all these projects. I find that the Finance Minister has not taken care to have better participation of workers in the implementation of the projects and programmes. There should be proper participation of workers. That will only help us.

Sir, in conclusion I would say that I support the budget but at the same time I appeal to the Finance Minister to take care that whatever is given here does not remain here but goes to the grass level and in that lies the excellence of the Government. If the administration does not help the common man then it is the greatest man-eater. The cost of administration has to come down and the cost for the people has to go up.

[*Translation*]

*SHRI K. RAMACHANDRA REDDY (Hindupur): Mr. Deputy Speaker, Sir, I am extremely grateful to you for providing me an opportunity to speak a few words on the Budget this evening. I have been carefully following the discussion that has been going on for the past 4 days. What appears to me from the discussion is that the Ruling Party Members are praising it eloquently and the Opposition Members are denouncing it vehemently. The hon. Members from treasury benches spoke eloquently saying

that this budget would bring a transformation in the lives of the poor people in the country. The hon. Member from the Opposition have termed the budget as anti-poor, pro-rich and that it would break the back of the poor.

Sir, I want to tell you as to what this Budget actually is. After careful analysis we can know very well whom the Budget favours. The Congress party bagged more than 400 seats in last year's general election. But it appears that their popularity among the people had gone very much to their heads and they had presented a Budget last year cutting drastically the allocations for various welfare measures. They ignored the welfare of people and development activities took a back seat. They had to pay heavily for this lapse. The Congress party lost the elections in States like Punjab and Assam. The results of various bye-elections in various Assemblies and also in Parliament had also gone against them. Now, keeping these reverses in view, an attempt has been made in this Budget to redeem the popularity among the masses. The increased allocations for various welfare measures only show their anxiety to get closer to the people by hoodwinking them once again. They have not increased the allocation for various welfare measures, not with sincerity. It is another ploy to catch the votes of the people. It is only to hoodwink the people once again. I want to cite an example. The National Rural Development Programme is being implemented throughout the country now. It is being implemented for the past several years. The allocation last year for N.R.E.P. was Rs. 230 crores. This year has gone up to Rs. 443 crores. The Congress Party Members say that they have increased the amount by 93% this year for the welfare of the people. They are blowing their own trumpets. But they are forgetting the fact that last year's allocation was 15% less than the 1984-85 year's allocation. The earlier Government before Shri Rajiv Gandhi took over the reins of power had allocated Rs. 519 crores for this programme in the year 1984-85. When Shri Rajiv Gandhi came to power, this amount was reduced to Rs. 236 crores which means 53% less than the earlier year. Now from Rs. 236 cr

*The speech was originally delivered in Telugu.

[Shri K. Ramachandra Reddy]

the amount has been increased to Rs. 519 crores. The Congress Party wants to take credit for the so called 93% increased in the allocation forgetting the fact that they mercilessly cut down last year's allocation. Is it worth taking credit for? I ask (*Interruptions*).

MR. DEPUTY SPEAKER : Dagaji knows Telugu I think.

SHRI K. RAMACHANDRA REDDY : Sir, that is the actual position. The ruling party also wants to take credit for the increased number of mandays. For 86-87 the Government wants to credit 300 m. mandays as against 253 m. mandays last year. They are praising themselves for this additional creation of employment. Are they really doing it for the benefit of the poor? It is just an eye wash. It is only a deceptive move to mislead the people. They are not really interested in the welfare of the people. I want the Hon. Minister to reply to these points when he weplies to the debate. The so-called increases this year for various welfare measures on only illusory.

Sir, now want to say a few words about Telugu Ganga project. This project was anvisaged to use 29 TMCS of surplus water by diverting them to chronically drought prone area of Rayala seema. With these surplus water about 2 lakhs and 73 thousands of acres in Rayalassema area can be brought under irrigation. Rayalaseema is cronically a brought prone area and this project will prove to be a boon to the people of the area. An agreement to take up the construction of Telugu Ganga Project was reached between the Chief Ministers of Andhra, Karnataka, Maharashtra and Tamil Nadu in the presence of late Shrimati Indira Gandhi. Hundreds of CMCs of waste and Andhra Government wants to utilise only 29 CMCs of the surplus water. But for strange reasons the Central Government are not clearing the Project. Sir, for centuries Andhra and Karnataka people lived friendly. Their lives and cultures are interturned and intermingled. Our people had eloquently praised the amicable relationship between these two states. But now the centre is trying to drive a wedge between them. The

Centre wants to divide the Andhra and Karnataka people by making Telugu Ganga project an issue. It is not fair on the part of the Central Government. It should give up the method of provoking one against the other. I sincerely hope that atleast now the Central Government would clear the Telugu Ganga Project.

Anantpur in Rayalseema is perhaps the worst drought hit area in the country. Except drought there is noting in this area. This year the brought is very acute and beyond words. People in this district have no water to drink, no food to eat and no shelter. The wells and tanks have dried up. For the past 4 years there are no rains in this district. When we brought to the notice of the Govt. this actue situation arising out of brought, it is strange the Central Government turns down to accept it as brought hit area. The Centre says that the brought is only in Karnataka and Gujarat and there is no brought in A.P. It is strange argument on the part of the Central Government. It is not good to differentiate among the states. The Centre should give up treating Andhra Pradesh in a step motherly fashion. I appeal to the Central Government to provide financial assistance to tide over the crisis in Anantpur and rescue them for unprecedented drought.

Sir, I thank you once again for giving me this opportunity and conclude my speech.

SHRI ABDUL HANNAN ANSARI (Madhubani) : Mr. Deputy Speaker, Sir, I support the Budget that has been presented and congratulate the hon. Finance Minister for this socialistic Budget.

The Budget aims at resolving the basic problems of the poor and it tries for their progress, but can we expect the Government machinery to implement it in letter and spirit. Will it be able to percolate the benefits to the poor? As an example I would like to point out that people have been heavily exploited through the various schemes that have been formulated by the Government. The Banks harassed the youth. Those who want to set up industries, they are harassed in different ways and the helpless people are not able to get loans. They have to lose a part of their loan in a bid to a get it in time,

As a result of this, the schemes of the Industries department are not implemented properly. Similarly, NREP which is being carried out through the Block Officers is not bringing out satisfactory results. Therefore, if we really think in terms of providing relief to the poor in the country, we should pay attention in this direction. If we do not do so, I fear whether we would be able to provide them any relief through these schemes. Here I would like to make special mention of Indira Gandhi Housing Schemes, which has been specially formulated to provide houses to the poor and Harijans in the country. But will the poor, who are houseless and are living in huts under tress, be able to get the benefit? This is a matter which has to be seriously considered because the middle men have been exploiting the poor in this country and this situation is very serious. Some of the hon. Members of my party have drawn the attention of the Government to this fact and have reminded it that until the elected representatives of the people are involved in these programmes and asked to participate in them, we will not be able to solve these problems.

Here, I would like to make a special mention of a matter which is related to my constituency Madhubani. I was greatly disappointed to find that the bank officials, who got their share of blackmoney, directly or through their agents, were sanctioning loans immediately, while the poor who does not have anything to pay him is harassed. Great injustice is being done to them in this way. If we continue to make provision for these schemes in the Budget every year, it will be like filling a pitcher which has a hole in the bottom. If we go on filling the pitcher with water and water goes on leaking from bottom, it will not be of any benefit to the person concerned. Similar will be the condition of our weaker section of the society which we are trying to benefit.

Madhubani is the most backward area of Bihar. It remains submerged in water for three months in a year. Dhaus and Khirohi, two tributaries of rivers Kamla and Adhwara cause floods and water logging in the entire area. The Government gives some relief to the people in the name of assistance every year. Had we invested the

entire funds, that have been allocated for these schemes every year since Independence, on construction of a dam in the area or on embankments of the rivers, this problem could have been solved for-ever and the bungling which has been indulged in by Government officials in the name of labourers would have come to an end, but it is sad that the two schemes proposed by the Bihar Government 'viz', Adhwara group of schemes and Kamla group of schemes have not been cleared by the Centre so far. Every time when the wheat sowing season commences the farmers face great hardship in getting irrigation facilities. You will be surprised to know that the Kosi project was started 32 years back and it was to be implemented by the state Government and crores of rupees are being spent on it every year since then. The funds are not being properly utilised and the funds are utilised in the construction of Government buildings. The allocated funds are rather siphoned off to the pocket of officials who construct their bungalows with it and the canal is not constructed. Will that project be completed after the 21st Century, because the funds which are allocated every year are being misutilised and Government bungalows and rest houses are being constructed in stead. The Central Government should pay proper attention in this regard.

Similarly, the condition of Kamla Canal Project, which was inaugurated by late Prime Minister Pandit Jawahar Lal Nehru is in shambles today. The Nepalese Government has constructed a dam near Mirchai and they do not let the water flow to our side when we need water to irrigate our lands. I have repeatedly drawn the attention of the Central Government to it. It is unfortunate that the irrigation staff is engaged in exploiting people. The agricultural fields of even those poor farmers who do not get water for irrigation are shown in the command area and taxes are being realised from them. They have been issued certificate etc. to this effect and there is resentment in the area as a result of this. I would like to draw the attention of Central Government towards it and I would request it to direct the State Government to stop such highhandedness. There is serious power problem. There is shortage of power in the state. The State

[Shri Abdul Hannan Ansari]

Government is unable to fulfil the power requirements, hence it may be supplied from other places so that condition may be improved there and power could be supplied to the area. Besides handlooms, our area is also famous for handicrafts, but the actual profit is not reaching the people of the area. Crores of rupees of weavers' committees is pending as arrears with the Bihar Government. When I asked question about it, I was informed that no such demand was made by the State Government. May I know as to why State Government has withheld exemption amount of crores of rupees of the poor weavers' societies upto now? Could the industries be encouraged and helped in this manner? All weavers of these weavers societies are becoming jobless. Similarly Mithila is known as the best area all over the country for printing handicraft, but no special attention has been paid to this area also. In the past, handicrafts and printings used to be exported from this area to various countries in large quantity, hence it is necessary to pay more attention towards it. Regarding education, I would like to say that I visited so many Assembly Constituencies, but no where I could find any special facilities or schemes for the education of schedule castes. Conveyance and boarding facilities should be made available to the children of schedule castes. Without such facilities, we cannot just imagine that such children would be able to get good education.

I would like to add one more thing. The distribution of Fertilizers and seeds to the farmers is not done properly and they never get them in time. These things are always sold in black market through B.D.O. hence it is necessary to pay more attention towards it. I congratulate the Finance Minister for presenting a revolutionary budget from financial point of view.

With these words I express my thanks to you.

[English]

SHRI C. P. THAKUR (Patna) : Sir, I congratulate the Finance Minister for giving this very innovative Budget. This budget is

important on three counts : firstly, it is a second year's Budget of the present Government, and also of the present Finance Minister, and so, it reflects the full matured thinking and direction of the Government ; secondly, for the first time, by giving this long term fiscal policy, the Finance Minister has brought openness to the Budget ; and thirdly, for the first time, Government has felt the pinch of resource constraint, and they have to rely on increasing the administered prices of essential commodities, for meeting resource requirements.

Now, there are many plus points in this budget. This increase in anti-poverty programme by 65 per cent has silenced many critics who used to say that this government was going more towards right than left. This anti-poverty programme should not be seen only in isolation but in conjunction with other programmes like increased outlay in agriculture programme for urban poor in which I would like that the milk man should be included in that scheme, the programme for increased outlay on education for infrastructure development, etc. All these measure will help in all viating poverty.

Now, another thing on which the government should be congratulated is on increasing plan size both of the Centre and of the States. In the beginning, it was feared that there was going to be pruning of the plan size. So, the government should be congratulated on this account.

Thirdly, many critics have criticized the working of the public sector, but the public sector has played a very important role in making this infrastructure of this county and also making the economy self-reliant. Now, to improve the working of the public sector, my humble suggestion is that a special cadre of officers should be drawn for the public sector. Their examination should be taken along with Central Service Examination also and one of the subjects should be the Business Administration ; and they should be trained not in Mussoorie but in the industry of their choice ; and that will improve the working of the public sector. Many hon. members of Parliament have raised doubts about the successful implementation of the anti-poverty programme. In

our State and I think in many States, the District Magistrate is the head of implementation of the anti-poverty programme, but as he is very busy in law and order problems as well as the problems of protocol, therefore, an independent authority should be created and that authority should be vested with the power to implement ; and accountability also should be introduced for the officers. If any officer fails to implement the anti-poverty programme, he should be punished and there should also be an independent monitoring system to monitor development and implementation of the programme.

The balance of payment position is adverse. The trade deficit has crossed Rs. 4000 crores. But, actually, I fail to understand how the government has decided to import steel. If the government would have taken care to increase capacity utilization of our steel plants, this import of the steel should have been avoided. Government has given many incentives for increased production of wired steel, but enough attention has not been given to the cultivation of soyabean and maize.

Similarly, regarding import of the sugarcane, if a proper policy is made, that can be avoided. In our provinces, most of the sugarcane mills became sick Farmers do not grow sugarcane and they chase to other crops. So, if a proper policy for sugarcane is made, then, I think, the import of sugarcane can be avoided.

Many benefits have been given to small scale industries. Just near Delhi, I went to see Salempur. Most of the workers there are engaged in the small scale industry ; most of them belong to minority community, but they complained that they had to face a lot of hardship in getting any financial help from the government authority.

Reckless spending by the Government Departments and the public sector should be checked and proper care should be taken when we have so much of resource constraint.

As you know, or might be knowing that, after independence the position of Bihar was good for sometime and it continues to occupy that position, but some imbalances are still there. Therefore, to remove such regional imbalances there should be a special cell in the Planning Commission to monitor the development of the backward States like Bihar and as I say, if it is felt desirable then the disease should be treated and the remedy is to be left to the States themselves to come up and develop themselves. Similarly, such backward States should be identified and they should be treated properly. Bihar, likemany other backward parts of Uttar Pradesh, is trailing in development and the Centre should consider uplifting the people in those backward areas. No special irrigation scheme has been undertaken in recent times. Only one Sone canal is there, which has been there right from the British days—the Britishers had constructed it about 110 years back—and a scheme for renovation of that canal has again been shelved.

As some hon. Members from North Bihar were mentioning,—and they know it very well also——no proper irrigation scheme is there in North Bihar. Similar is the case in South Bihar also, and similar is the situation in the other parts of the State also. Therefore, no industrialist comes forward to set up any industry there ; everyone wants to set up the industry in areas which have already developed. One of the recent decisions of the Government is that they will not help establishment of power plants in those States in which the power position is not satisfactory. This will further aggravate the growth of that particular area

Now coming to my constituency, Patna, Patna is supposed to be the capital of Bihar but still it lacks many civic amenities. I am not requesting the Finance Minister or the Prime Minister to give grants to Patna or to make any specific grants, but I am requesting him just for providing sewerage and drinking water facilities for Patna, Gaya and Ranchi. I do not know whether there is any such scheme. But I would request the Finance Minister to give funds generously for such schemes and projects.

[Shri C.P. Thakur]

One more point and I will conclude. Due to our planning during the last thirty years most of the personal incomes and the capital formed have accumulated in the hands of only ten per cent of the population. I think it is high time that we should reverse the trend and I think our Finance Minister will help in equalisation of wealth. With these few words I think the Finance Minister for bringing out such a good budget.

[*Translation*]

SHRI KAILASH YADAV (Jalesar) :
Mr. Deputy Speaker, Sir, I am grateful to you for giving me an opportunity to speak on the Budget which is aimed at taking the country towards 21st century.

It is an historical Budget presented by our hon. Finance Minister Shri Vishwanath Pratap Singh under the leadership of our young Prime Minister Shri Rajiv Gandhi.

Efforts have been made in this Budget to provide relief and satisfaction to every section of our society. There are certain weaker and poorer sections in our society comprising the urban poor and the rural people who had never been mentioned in the budget before, but now provisions have been made in this budget for them also. Realistic approach has been followed in this Budget. It has also been the endeavour to make this Budget a base for making a beginning towards 21st century. Eradication of poverty is the base of this Budget.

I am not going in details of the Budget, because so much time will not be given to me by you.

I would like to point out that there will be some improvements with the announcement of Long Term Fiscal Policy. Now I would like to make some suggestions with regard to the Budget.

Our Finance Minister has adopted Tax Control Policy and simplified taxes, which has yielded good results. In this connection I suggest that some more improvements should be done to make it more simplified.

This tax-system is very complicated and its calculation is very difficult. If it is more simplified, than more collection can be made and there will be no bungling.

The battle started against black money should be continued uninterruptedly. The raids against tax evaders should be conducted regularly. These raids have terribly affected the tax offenders. It is just a temporary solution. I would repeat once against that such actions against black money should continue. Now a days it has become an issue of public debate and there is no doubt that such actions are essential to strengthen our economy.

Now I would say somethings about the Banks. Loans are granted by the Banks to the poor people and others, but their rates of interest are very high such as 12 per cent 14 per cent and 18 per cent. Therefore, rates of interest should be reduced so that poor people may not feel heavy burden on themselves. Today they are over burdened and feel like a debtor of money lender. Some drastic steps should be taken in this respect and rates of interest should be reduced. Today the administrative expenditure of the Banks is also increasing. Steps should be taken to reduce it as well.

Now I would like to raise certain issues about my Parliamentary Constituency. My constituency comprises of areas from among the three districts and is a very backward area. In Seventy per cent area of this constituency, people are facing the problem of drinking water. During the summer season the problem of drinking water becomes even more acute. As told by our friend Shri Ganga Ram that in summer season, a bucket of water costs Rs. 5 to 6. In this regard, I would like to request you that this matter may be seriously considered.

Sir, funds may be made available for setting up Jawaharpur Thermal Power Plant in our area so that its work may be started at the earliest. Sadabad and Khadouli areas in my constituency are rich productive areas for potato crop, but all potato is rotting and it has been affected by certain disease also. You should also pay your attention towards this problem.

In our area roads are also in deplorable condition and funds may be arranged for their repair. The money sanctioned for I.R.D.P., N.R.E.P. and R.L.E.G.P. do not reach the common man. Corruption may be checked. Though some action has been taken in this regard, yet I want that some more stringent action should be taken.

In our area, people are not getting money against their insurance claims and generally such complaints are received. Corporations and Boards whether these belong to the Central Government or the State Governments, are running in losses. It may also be taken seriously so that Government does not have to resort to deficit financing.

With these words I thank you for giving me an opportunity to speak.

SHRI KAMLA PRASAD SINGH (Jaunpur): Mr. Deputy Speaker, Sir, I wholeheartedly welcome and support the Budget presented by hon. Finance Minister.

The Budget presented for the year 1986-87, is for the benefits of the poor, weaker section of the society, farmers and the common man.

I also want to say about the achievements of this Budget. Annual plan for the year 1986-87, has been provided the sufficient support in the budget. First and most important thing is that allocation for programmes of eradication of poverty has been sufficiently increased. For the year 1986-87 an outlay of Rs. 1851 crores has been fixed for the Rural Development Department as against an outlay of Rs. 1239 crores for the year 1985-86, which means that there has been an increase of 50 per cent in the allocation.

During current year, Government has undertaken the construction of houses at a low cost in rural areas for Schedule Castes, Schedule Tribes and bonded labourers and foodgrains is being supplied to the poor at concessional rates Under Integrated Tribal Development Plan National Rural Employment Programme and Rural Landless Employment Guarantee Programmes and also being expanded. During the year 1986-87,

approx. 20 lakh metric tonnes of foodgrains is proposed to be distributed under these programmes. These programmes are aimed at fulfilment of the promises made by our hon. Prime Minister Shri Rajiv Gandhi. It is a very great achievement.

Similarly there are so many other programmes for the welfare of the poor and needy people which were dedicated by our late Prime Minister Mrs. Indira Gandhi to the nation. The naming of new housing scheme for Schedule Castes and Schedule Tribes in the memory of Mrs. Indira Gandhi as 'Indira Housing Scheme' will be a real tribute to her.

In this way a number of public welfare programmes are proposed to be initiated through this Budget.

Sir, now I would like to raise certain issues relating to my constituency. My Parliamentary Constituency Jaunpur is very backward. There is not even a single industry in that area. The educated unemployed are facing acute unemployment problem due to non-existence of any industry there. The educated youth do not have any source of livelihood. They leave their place for metropolitan cities like Bombay, Calcutta or Delhi to seek employment there. Keeping in view such a situation I would request the Government that heavy industry should be set up there.

In the Railway Budget which has been presented in the House, neither any new train service has been provided to U.P. and especially Eastern U.P. nor any scheme for the extension of the railway line or construction of new railway line for the development of Uttar Pradesh Particularly that of eastern Uttar Pradesh has been included. I would like to request the hon. Finance Minister through you, Sir, that sufficient funds should be sanctioned for the development of railways there.

Sir, the hon. Finance Minister has drawn up public welfare scheme for Human Resource Development, Health and for a number of other departments. In our area a college named Tilakdhari College is

[Shri Kamla Prasad Singh]

functioning in which more than 7,000 students are receiving education and about 200 teachers are engaged in the teaching work there. There is a long standing demand for establishing a Poorvanchal University in that region. As Jaunpur is a backward district and a number of colleges are functioning there, hence there is imperative need to establish this university there.

I would like to make this demand through you, Sir, that the Hindustan Photo Films, which is a Government of India Undertaking, should establish its units in other states particularly in Uttar Pradesh also.

I would like to give some suggestions in regard to the D.T.C. fares, which have been recently increased. The fare upto 6 k.m. is 50 paise and upto 16 k.m. Re. 1. But this fare is not charged on the basis of kilometers, but it is charged on the basis of fare-stoppages. I would request that fare should be charged on the basis of kilometers.

19.00 hrs.

A lot of development programmes like National Rural Employment Programme and Rural Landless Employment Guarantee Programme are being run in the country. The Government is spending massive funds on these programmes. Roads, schools, hospitals etc. are being provided in almost all the villages. A lot of development is taking place. I would like to congratulate the hon. Finance Minister and the hon. Prime Minister for it. The Government should formulate some definite schemes for the development of eastern districts in Uttar Pradesh so as to remove poverty in that region.

The problem of poverty is very acute in our region. The educated youth are very much frustrated due to this. Some Scheme should be formulated to remove poverty there. In my constituency there is Madiahun tehsil where the drinking water problem is very acute. If a bucket is put into a well to draw water, one invariably finds slush

instead of water in it. People host *baratis* by serving them sweets and anything else, but drinking water could not be served to them. I would request that provision of water should be made in Madiahun tehsil. Handpumps are being installed there on the basis of a survey held in 1972. The Government have not constructed any overhead water tanks there. An amount of Rs. 10,000/- or Rs. 11,000/- is being spent on the installation of hand pumps. I would request that the requirement of the scarcity hit areas should be taken into consideration while installing handpumps there so that water is provided there. The problem of drinking water is very acute there.

With these words I reiterate the demand for establishment of an University in Jaunpur district and wholeheartedly support the public welfare—budget presented by the hon. Finance Minister.

[English]

MR. DEPUTY-SPEAKER : Now, Shri Srihari Rao.

SHRI BAJU BAN RIYAN (Tripura East) : It is 7 O' clock. You extended the time of the House for one more hour.

MR. DEPUTY-SPEAKER : At 6—10 I told the House that it is extended by one hour more. In another 10 minutes they are going to finish. Only 2 Members are left.

SHRI BAJU BAN RIYAN : Sir, we should get a chance to participate in the debate. All the opposition parties should also get the extended time in the same proportion. They should also participate in the extended period.

MR. DEPUTY-SPEAKER : No, no. 3 or 4 members have already spoken from your party.

SHRI BAJU BAN RIYAN : Sir, they have spoken within the limited time which was already fixed. But not within the extended time. Now you have extended the time and they should also get proportionate time of this extended period.

MR. DEPUTY-SPEAKER : No, no. We have given more time. On speaker himself exhausts all the time but we have accommodated more than two. We have accommodated more.

SHRI BAJU BAN RIYAN : Sir, I leave the House in protest. . It is not right. You cannot extend in this way as you like. I walk out under protest.

MR. DEPUTY-SPEAKER : What is this ? If you want to speak, you can give the name. You have not given the name at all. What is the use of just simply telling me like this ? You have not at all asked to speak. I am so sorry.

19.02 hrs.

(Shri Baju Ban Riyan than left the House.)

MR. DEPUTY-SPEAKER : Now, Shri Srihari Rao.

[*Translation*]

*SHRI SRIHARI RAO (Rajahmundry) : Mr. Deputy Speaker, Sir, the budget presented for this year is being applauded by Congressmen. But we must see as to how much substance is this comment. We have to think whether it is really beneficial to the people. Some concessions and exemption were announced in this budget. The limit forgift tax has been increased from Rs. 5000 to Rs. 25,000. We support it. But your way of collecting the taxes is not commendable. You are collecting the taxes from business by waving the rod. Instead it is better if you offer more incentives to the tax payees to encourage them to pay taxes. We feed well a milk cow in order to get more milk. Similarly you must provide more incentives to the businessmen and others so that they willingly come forward to pay the taxes. Then only you will be in a position to collect more. When your revenue is up you can find more and

*The Speech was originally delivered in Telugu.

more money for the implementation of verious welfare programmes for the welfare of common men.

Sir, now you want to take up many programmes for the welfare of the people. Your programmes may be very good. Your intention may be very good. But the machinery that implements the programmes is not good. Quite often it is the bureaucrats who become a major hurdle and come in your way of successful implementation of the programmes. Bureaucracy creates hurdles. They thwart the successful implementation of any programme undertaken by the Govt. You may dream of ushering in a new era, but the bureaucracy is there to shalter your dreams. This is the reason why the benefits of various welfare measures do not percolate down the lowest rune of the society. The nation can not progress until the bureaucracy changes its attitude. The Five Year Plans can not be successful. Sir I want to ask the Hon. Minister as to how many Secretaries are there in the Government who faithfully only the orders of the Minister. The Secretaries do not care to obey the orders of the Ministers. Being Members of Parliament we can afford to speak out the truth which the Hon. Ministers can not do. We can afford to criticise openly bureaucracy while the Ministers can not. They are distarting the programmes as well. You think of doing something while they implement some other things. That is how our present day bureaucracy is function. If you really want that the benefits of these programmes should reach the poor, then you have to bring a change in the functioning of bureaucracy. You must try to find out how you can bring forward this change. From top bureaucrats sitting in Delhi to the petty officials in villages are proving to be a very big hurdle. So changing the attitude of bureaucracy from top level to the level of bottom is very much necessary. Then and only then, our Plans and our programmes with be sucessful and there will some change in the lives of the people. So, Sir, the Hon. Minister should find out ways how he can bring about the transformation in the attitude of bureaucracy. Unless the top bureaucrats here, at the centre change, their counterparts in the States will also remain the same. The State level bureaucrats also would continue to be indifferent towards their Minister. Many of the

[Shri Srihari Rao]

programmes undertaken by various state Governments could not yield good results because of their bureaucracy. Our Hon. Finance Minister is an able and efficient administrator. I Hope, he will try to bring a change in the attitude of bureaucracy, if necessary by providing incentives to them.

About Rs. 6000 crores had been spent in the past 20 years to reduce the poverty in the country. Earlier the percentage of poor people was 50 and now it is 40. It means that the Government spent Rs. 6000 crores over 20 year to uplift just 10% of the poor. It is beyond one's imagination as to how much more money has to be spent and how many years it would take to wipe out poverty from the land. For the successful implementation of poverty eradication programmes the bureaucracy must have to play a positive role. We may enact many legislations here. But they are not going to solve the problems of the poor. A concerted effort by all concerned is necessary. The Government may conduct raids and unearth the black money. Only few days back, it was reported in the news about unearthing of gold worth one crore rupees. A few raids here and there would not solve the problem. The corruption is also rampant. The Government is giving too much publicity to the raids conducted by Income Tax officials. It should not so. By giving coverage about the raids they will not be in a position to collect any tax amount from these big business. Hence keep it a secret till the end.

Sir, a variety of taxes are being imposed on the people. Recently the Government increased the prices of Kerosene and LPG. These are the commodities used by common people. So the increase in the administered prices of kerosene and LPG is not justifiable. So I request the government not to increase the prices of kerosene and LPG. Instead, if they choose, they can impose some other taxes. But for heaven's sake, bring down the prices of kerosene and diesel. Please do not take it as a suggestion coming from Opposition Party Members and hesitate to reduce the prices. We are not going to gain anything. In fact your mistakes benefit us. But keeping the public interest in view, I

am making this request. I hope the Hon. Minister would agree to reduce the prices of Kerosene and LPG.

Sir, whom we implemented a programme to supply rice at Rs. 2 a kg. in our State of A.P., Congressmen have criticised us bitterly. They said that we were making the people lazy. But now the Central Government have taken up one such similar scheme to provide rice to tribal people at Rs. 2 a kg. I welcome it, though you thought it wise to adopt our policy now. This scheme should be extended to all states and all the poor people in the country.

With these words I conclude my speech and thank you for providing me an opportunity to speak.

[English]

MR. DEPUTY-SPEAKER : Shri Mool Chand Daga. He will take 7 minutes. Try to finish your speech within that time.

SHRI MOOL CHAND DAGA (Pali) : Mr. Deputy-Speaker, Sir, the Finance Minister has spoken for two hours and 17 minutes. You are fully aware of it.

[Translation]

Mr. Deputy Speaker, Sir, I cannot say whether I will be able to do justice or not, but I shall try to very brief. I would like to draw the attention of the hon. Minister to the paragraph 18 :—

[English]

“The Government is initiating a process of thorough review of our expenditure policies and procedures. We have to cut every rupee of wasteful expenditure, get more out of every rupee of essential expenditure, and improve efficiency all round.”

[Translation]

THE MINISTER OF FINANCE (SHRI VISHWANATH PRATAP SINGH): I would like to inform the hon. Member that a status paper on expenditure particu-

larly on non-plan expenditure will be brought before the House for discussion and the hon. Members will find an opportunity to go deep into it.

SHRI MOOL CHAND DAGA : Mr. Deputy Speaker, Sir, very few Ministers give such a prompt reply. He has given a very prompt reply. He immediately guessed as to what I was going to say.

(Interruptions)

It is somewhat difficult to give such a prompt reply and that too in the evening.

I would like to give certain suggestions and I would like to raise some basic points. First of all, I would like to know as to how much amount is disbursed as pension? This pension system should be discontinued, because the beneficiaries of pension are well off in every respect. They have resources, land and their children are earning. Whether such persons are freedom fighters, Government servants and other persons, their pension must be stopped. Unless the pension system is discontinued, people would not be able to rise above the poverty line. People are drawing pensions, their children are earning and they are enjoying their time. So kindly discontinue this pension system.

I would like to raise one more point which is agitating my mind. What is the expenditure which is incurred on the maintenance of your offices. I have collected data regarding expenditure of a bank on offices. As the time is short, so I would not dwell on it at present. Sir, there may be furniture worth Rs. 20 to 25 thousands in your office room, but the room of a bank officer is having furniture worth Rs. 4 lakhs. The furniture is replaced by a new grand one with the change of the bank manager. The life style of a manager is very decent in this poor country. You can see his style of putting on goggles, two or three gold rings in his fingers and his luxurious way of life. *(Interruptions)*

It should be investigated as to how much the Government employees work when the Government is incurring so much expenditure on them. Or course, some of

them are very honest and dedicated workers, but a large number of them do little work. Who would make an enquiry about it. There is over staffing in the offices, but the output of work is poor. The Government spends a large share of revenue on the Government employees on payment of their salaries etc. The employees should know that they are for the service of the people. Secretariat is like a deep forest where there is darkness all around and it is very difficult to come out of it if one enters it for some work. We should investigate as to how much work is done by the Government employees in the Secretariat.

I would like to raise one point regarding summer vacation. How was this concept of summer vacation came into being? There are lakhs of cases pending in the courts, but the judges go for summer vacation to Shimla, Mussoorie and other places. Why have they gone to the hill station, because it is summer vacation. I do not know as to when this summer vacation was introduced and for what purpose. This should be looked into.

Regarding bonus I would like to say something. Bonus is being paid even if the organisation has suffered loss. During Janata Party regime, even railway employees were given bonus. Agreed, that it was given on productivity basis, but now this has been paid to one and all. One would like to know as to who should be given the bonus? I would like to say that those who work more, must be given high salaries. What is the logic behind giving bonus to workers if the factory is running in loss. This is not proper to give bonus to everyone. It entails heavy burden on the exchequer. Whenever I raised the issue of five days week, the Prime Minister replied that it was under examination. The hon. Finance Minister should also set rule not to reach office early and not to leave office late. I fail to understand as to how this anti-poverty programme will be implemented. Have you ever given thought to the expenditure which is incurred on the Enquiry Commissions. If you analyse it, you will find that at least half of the expenditure is redundant. The Ray Commission is in existence for a long time, but what work it was done so far?

[*English*]

RAY COMMISSION : 1982-83—Rs. 2,94,000 ; 1983-84—Rs. 2,88,000 ; 1984-85—Rs. 2,87,000 ; so it is going on. Then the Kudal Commission, For how many years ? 4 years. What is the expenditure ? Rs. 34 lakhs, Rs. 27 lakhs, Rs. 14 lakhs and Rs. 10 lakhs. Then Ranganath Mishra Commission. It has taken a long time. Then there is the Thakkar Commission.

[*Translation*]

The retired judges in the Commission prolong its work. You can see the expenditure which is incurred on it. No concrete result comes out from the Enquiry Commissions.....(*Interruptions*)

[*English*]

MR. DEPUTY SPEAKER : You go on extending your time. Just now you said that the various commissions appointed are of no use and it is all waste of money. But you are wasting the time.

[*Translation*]

SHRI MOOL CHAND DAGA : Whenever any Minister comes to Jaipur in our State, he comes by air. The persons coming to Delhi from Chandigarh also come in aeroplanes. Have you ever thought as to what would be the expenses if one travels from Chandigarh to Delhi or Delhi to Chandigarh for five or six times in a month ? In a poor country where people are pining even for a drop of drinking water, the big leaders are travelling in planes. I would also like to say one thing about medicines. A lot of expenditure is incurred on medicines. The old people take a lot of medicines for getting vitality in their old age. A rule should be framed that nobody would be allowed to take medicines more than worth fifty or sixty rupees, because at present people take medicines worth four hundred of rupees. I would also like to tell about the losses.

[*English*]

National Textiles Corporation—Rs. 670 crores. Cotton Corporation—Rs. 100 crores. For all the Central public enterprises I cannot say what is the loss.

The survey has given the loss as Rs. 1534.37 crores, then IDPL Rs. 28 crores and ITDC Rs. 78.15 lakhs.

(*Interruptions*)

[*Translation*]

Sir, you have rung the bell at a most appropriate time so that nobody in India could know about the losses being incurred everywhere and to meet the gap, we have to borrow loan from abroad. We have been fed up with taking loans. You can see as to what are the service charges. You would have to take many steps to curtail the Government expenditure. You would have to take certain measures about Government employees.

You might have seen that advertisements are telecast daily on TV and Government has a daily earning of Rs. 35 lakhs, but if you see the expenditure, you will find that it is Rs. 33 lakhs. This means that there is no savings and entire income is spent. You should think as to why so much amount is being spent by you and on which items it is being spent, but nobody seems to be worried about it. There are so many Departments of the Government. When I asked as to what is the amount of rent that is being paid for the offices housed in private buildings, you would be surprised to know that amount of rent being paid for such rented buildings in Rs. 70 crores. Then there is lunch and dinner in five star hotels on which Central Government has to spend a lot of money. Our Finance Minister perhaps goes very rarely to attend such luncheon parties in five star hotels, otherwise I would also have got a chance to go with him. You should also think some measures about it...(*Interruptions*) I have spoken only on one subject. If you go through his speech, you would find ...(*Interruptions*).....If you kindly allot me five minutes tomorrow. I would mention rest of the points tomorrow.

[*English*]

I will finish, Sir, within 5 minutes.

MR. DEPUTY SPEAKER : You will get a lot of opportunities,

MR. MOOL CHAND DAGA : Only two minutes. Let me continue tomorrow.

MR. DEPUTY SPEAKER : No. Only two minutes.

MR. MOOL CHAND DAGA : Now I come to the second paragraph.

[*Translation*]

Mr. Deputy Speaker, Sir, I would finish my speech within five minutes.

[*English*]

Second paragraph says that development must be accompanied by equality and social justice...

[*Translation*]

The mind of our Finance Minister is very clear and his mind is working in the right direction. He says—

[*English*]

by removal of social barriers.

[*Translation*]

☛ Sir, on the one hand, you talk of the oppressed and the weak. but you are spending 57 per cent of the budget on the urban area, whereas majority of our population lives in the country side. Perhaps he has forgotten them. If you go through the entire expenditure on urban areas and the rural areas, you would come to know of the correct picture. You have formulated anti poverty

programmes and your programmes are good, but you should tell us as to what percentage of budget is being spent by you on the urban areas and rural areas Separately. I fail to understand as to how would develop the villages in this manner. I would like to suggest that entire nation may be divided in various zones. Himachal Pradesh, Punjab and Haryana may be kept in one zone. Assam kept in another zone and Tamil Nadu, Kerala etc. may be kept in Southern zone. The language problem, water dispute and many other problems are arising due to creation of small states. Secondly, the office of Governor and Upper Houses in States should be abolished altogether as these are proving to be white elephant for the country and unecessary expenditure is being incurred on them. The Government never thinks that this expenditure should be curtailed. Sir, if you want to bring about socialism in the country, you would have to do one thing...(*interruptions*).....I would like to submit to you.

[*English*]

MR. DEPUTY SPEAKER : Mr. Daga, please conclude. You can speak more on another occasion...He has concluded. The Minister will reply tomorrow.

The House stands adjourned to reassemble at 11.00 a.m. tomorrow.

19.25. hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Thursday, March 13, 1986/Phalgura 22, 1907 (Saka)