

"That Clause 1, Enacting Formula and the long Title stand part of the Bill"

[MR. DEPUTY-SPEAKER *in the Chair*]

The motion was adopted

DEMANDS FOR EXCESS GRANTS
 (GENERAL), 1986-87

Clause 1, Enacting formula and the long title were added to the Bill.

[*English*]

SHRI P. CHIDAMBARAM: I beg to move:

MR. DEPUTY-SPEAKER: Now we shall take up Item No. 21 relating to Discussion and voting on Demands for Excess Grants (General) for 1986-87.

"That the Bill be passed."

MR. DEPUTY SPEAKER: The question is:

Motion moved:

"That the Bill be passed."

The motion was adopted

"That the respective excess sums not exceeding the amounts shown in the third column of the Order Paper be granted to the President out of the Consolidated Fund of India to make good the excess on the respective grants during the year ended 31st March, 1987, in respect of the following demands entered in the second column thereof-

13.32 hrs.

The Lok Sabha then adjourned for Lunch till thirty -five minutes past Fourteen of the Clock.

The Lck Sabha re-assembled after Lunch at thirty eight minutes past Fourteen of the Clock

Demand No. 11, 18, 19, 20, 21, 22, 54, 56, 56A, 74, 83, 93, and 97"

Demands for Excess Grants (General) for 1986-87 submitted to the Vote of Lok Sabha

<i>No. of Demand</i>	<i>Name of Demand</i>	<i>Amount of Demand to be submitted to the Vote of the House</i>
<i>1</i>	<i>2</i>	<i>3</i>

Rs.

I. *Expenditure met from Revenue*

18	Defence Pensions	1,35,94,989
19.	Defence Services-Army	100,35,85,223
20.	Defence Services-Navy	37,74,07,521

1	2	3
21.	Defence Services-Air Force	44,69,04,894
22.	Andaman and Nicobar Islands	10,33,13,925
56.	Lakshadweep	6,26,116
93.	Public Works	10,92,69,099
97.	Ministry of Water Resources	45,60,517
II. <i>Expenditure met from Capital</i>		
11.	Foreign Trade and Export Production	19,43,16,651
22.	Capital Outlay on Defence Services	14,66,51,282
56-A	Chandigarh	2,80,186
74.	Department of Tourism	2,15,984
83.	Department of Scientific and Industrial Research	2,10,00,000

MP. DEPUTY SPEAKER: Now Shri Ramachandra Reddy to speak.

SHRI K. RAMACHANDRA REDDY (Hindupur): Mr. Deputy-Speaker, Sir now for 1986-87, the Government has come forward for about Rs. 260 crores out of which there is a sum of about Rs. 195 crores for Defence. It has been stated that the Government is trying to reduce the defence expenditure. Now for 1986-87, they want this amount of Rs. 195 crores to be spent on the Revenue Account. Now on the Revenue Account, we are spending more money than is necessary. There has been very severe criticism that expenditure on defence is not coming to Parliament. Parliament is not aware of the actual expenditure. Now for 1986-87, on the defence side, Rs. 195 crores are being spent. We do not have the details about its necessity.

Now, one item is Defence Pension. I do not think that is a matter which could not have been expected. I do not know why such a matter should come forward.

Then Item Numbers 19, 20, 21 deal with Defence Services-Army, Defence Services-Navy and Defence Services-Air Force. We do not have the details as to why so much amount is being asked. The House is completely kept in darkness.

As far as our defence preparedness is concerned, there is an all-round tension. We are not able to reduce tension in the border areas with Pakistan and China. We are not making any sincere efforts. We have been told that from Pakistan, terrorists are coming into our country regularly; smugglers are coming into our country regularly; Pakistani people are coming into our country without

[Sh. K. Ramachandra Reddy]
any passport. There had been lot of infiltration. Some steps were suggested to be taken to prevent these terrorists, smugglers and these unauthorised persons from entering into this country. But no action has been taken so far. The House has been agitating that the border with Pakistan must be sealed. But no effort has been made. I do not know what the Government is not thinking on these lines. And still, they have come forward for a grant of Rs. 182 crores.

Then, there is a lot of tension on the China border. Nepal is the only Hindu country which we have got. There is no other country where Hindu religion is practised. Even with this country, we are fighting. There have been some differences. Some of them may be genuine and some of them may be an exaggerated. But still with this country we have picked up a row. We have not been able to solve the problem. The row has affected the Nepal so much that they have gone to the extent of seeking ties with China. Now if China and Nepal join hands, there is another danger to our country as far as this aspect is concerned. This is a matter which has to be settled across the table. We should not allow Nepal to fall into trap of China. It will be very serious thing for our country.

Then there has been lot of talk that some portions of Arunachal Pradesh belong to China. China has refused to accept Arunachal Pradesh as a State when we gave Statehood to Arunachal Pradesh as an Indian State. This matter has been kept pending for a long time. The country and the House are also kept in darkness as far as this aspect is concerned. The Government must so manipulate its foreign policy that tension between the two neighbours China and Pakistan are reduced.

And then about the expenditure on the Capital Account. About Rs. 30 to Rs. 40 crores are being spent on Chandigarh.

Chandigarh is one of the problem States. In the Longowal-Rajiv Gandhi Agreement, transfer of Chandigarh was a very very important factor. Chandigarh was supposed to be given to Punjab and in lieu of Chandigarh some areas were to be given to Haryana. But this agreement has been pending. No effort has been made. Two commissions had been appointed but even now the Government is not in a position to decide which are the areas that are to be given to Haryana in lieu of Chandigarh. If you are not able to solve this dispute about Chandigarh between Punjab and Haryana how do you expect that you will be able to create some confidence in the minds of Punjabis that the Rajiv-Longowal agreement will be enforced by this Government?

In the Siachen Glacier the tension is very very serious and explosive. We do not know much of the facts except what we get from the press. I request the Defence Minister to take this House into confidence and tell us what is the matter, why this matter is kept pending and whether there is a serious threat to our security from this quarter?

My next point is about the Department of Tourism. A very small amount has been spent for this Department. Yesterday some friends from Kashmir had been complaining that because of the continuous problem of Punjab and because the Government has failed to solve the problems of Punjab the tourist arrival there is affected. Kashmir is a State where most of its finances depend upon the arrival of tourists. Because of the Punjab problem tourists are not in a position to go to Punjab and through Punjab to Kashmir. They are afraid. Unless this problem is tackled the position of tourism in Kashmir and Kashmir's finances are likely to be affected.

I request the Government to take these matters into consideration and do something in the matter.

[Translation]

SHRI GIRDHARILAL VYAS (Bhilwara):
Hon. Mr. Deputy-Speaker Sir, I express my support for the Demands for Excess Grants.

As the hon. Member was saying there is plenty of scope for the development of tourism in Rajasthan but no money has been allotted for this purpose. There is a need to develop the districts of Jodhpur, Jaisalmer, Jaipur, Udaipur, Bundi and Kota from the point of view of tourism. If the erst-while States of Rajasthan are developed as tourist centres with accomodation at cheaper rates for domestic tourists and luxurious accomodation for tourists from abroad, the country can earn a lot of foreign exchange. So much is the scope for tourism in Rajasthan that our present foreign exchange earnings of Rs. 200 crores can be increased to Rs. 10,000 crores. Steps should be taken for the development of tourism in Rajasthan. There is abundant potential for tourism in Rajasthan and the situation is much the same as in Kashmir where the State's economy depends on tourism. Your wife hails from a desert area and one-third of it is a hilly area while the remaining one third is a plain which is much like a desert as it does not have any rainfall. There is no rainfall in the Ghana Bird Sanctuary which lies in hon. Shri Natwar Singh's constituency. Hence, the Government should provide maximum funds to redeem this situation. We are thankful to the hon. Prime Minister and the hon. Finance Minister for helping Rajasthan during last year's famine in the State. There is famine and drinking water problem in 4000-5000 villages in Rajasthan. Along with tourism these two issues should also be looked into. If these issues are handled in an efficient manner the public is sure to praise the Government.

I want to raise a few points regarding my constituency. I want to draw the hon. Finance Minister's attention towards the need

to set up a Mica Paper Mill in my constituency. In India, Mica is found in Bihar, Andhra Pradesh and Bhilwara. Mica Paper Mills have been set up in the first two areas but not at Bhilwara. If the Government invests Rs. 30 crores for this purpose this year, the country can earn foreign exchange to the tune of Rs. 50-60 crores. This is not a bad bargain yet the Government does not pay much attention to it. Although it is a profitable proposition the Commerce Department on other concerned officials are not giving it any thought

Besides this, I have repeatedly requested for the setting up of a Zinc-Smelter Plant. One such plant has been set up but it is at a distant place.

The hon. lady member in whose constituency this is located, may be furious with me but my submission is that one plant is not enough for our needs. One more plant should be installed there. There is a 200 kilometer Zinc belt from Bhilwara to Krishnagarh and this is probably the biggest zinc belt in Asia. A super zinc-smelter plant has been set up in Chittorgarh. When the hon. Prime Minister had come there to lay the foundation stone of that plant I had told him, that one super zinc-smelter plant would not suffice. Another plant should be set up either in Bhilwara or Ram-pur where zinc is available in plenty. Thus zinc and lead would be available for our domestic needs and also for export which will earn us valuable foreign exchange. Therefore it is necessary to set up such a plant

We are grateful to the hon. Finance Minister for providing a railway line over there. This line connects Kota, Chittorgarh and Neemuch which are areas where cement is found. At least five big cement factories should be set up in this area. Rs. 110 crores have been spent to lay this railway line and this line can be truly useful only if we set up cement factories in the area. Five

[Sh. Girdhari Lal Vyas]

cement plants should be set up in areas like Bhilwara, Kota, Neemuch and Bundi. These plants could be set up in the public, private or joint sector. Only then will this railway line be profitable, and we shall have enough cement for domestic consumption and export. This sector has a lot of untapped potential. So these facilities must be provided. This will also help in the development of Rajasthan and this will ultimately benefit the country as a whole.

These few points that I have mentioned are very important. Information should be collected to find out how tourism can be promoted in Rajasthan. Steps should be taken up to expedite the setting up of a Mica Paper Mill and zinc-smelter plant in the State. About 5-6 years will be needed to set up each of these. The hon. Minister's attention is drawn towards these points. He is requested to attend to these matters and the earliest and contribute towards the upliftment of the people of Rajasthan.

With these words I express my support for these Demands

[English]

SHRI AMAL DATTA (Diamond Harbour): Sir, the House is now required to approve the money which has been spent by the Government in excess of what the Government was granted by the House in the year 1986-87. Some part of the excess expenditure of the Government has already been approved because that was in the Appropriation Account of the Railways and the part which is now to be approved consists of two parts—Defence Services Rs 197 crores and Civil Departments Rs 45 crores approximately. This expenditure has been incurred in excess of the original grants of 1986-87 in accordance with the Budget passed in March-April, 1986. After that the

Government has brought and obtained the sanction of the House for further expenditure through supplementary grants. That amount totals up to Rs. 2207 crores. That last instalment of supplementary grants was obtained around 15th March of the year which ended on 31st March, 1987, that is, about 15-16 days before the ending of the year. Government got the last instalment of supplementary grants and yet they come here with this abnormally high figure of nearly Rs. 200 crores in case of Defence Services and Rs. 45 crores in case of Civil Departments. This, Sir, only highlights the irresponsible conduct and also lack of control on finance and over the functioning of the Government in the departments concerned and also lack of proper records and proper budgeting procedures. How is that even while formulating last supplementary grants they are not able to visualise how much money has been spent? They are not able to have an account as to how much money has been spent and how much more money will be required in the course of a month or month and a half from the day they ask for the grants, namely, officially when they are formulating the supplementary grants. This is a very pathetic picture of the budgeting procedure, financial control and it highlights the totally irresponsible way in which the Government is carried on.

Sir, before this excess expenditure comes for approval of the House it is approved every year by the PAC which goes into the details and how the excess expenditure took place and which makes year after year a number of recommendations as to what procedures Government should adopt to see that excess expenditure does not take place and even to see that saving does not take place but the Government scarcely pays any heed to the desires of this Committee at least in this respect.

Apart from the fact that the Government cannot envisage how much money will be

spent another weakness that has been pointed out is regarding time gap between receipt of bills and payments; the time gap between payments and booking of the expenditure because these are the reasons as to why the records remain incomplete and there is a rush of booking of expenditure at the end of the month.

15.00 hrs.

Now, the Committee has year after gone through and analysed expenditure in respect of the Grants where excess expenditure has been made and has found that at least a quarter of the expenditure takes place during the last month of the year. This is a very serious lacuna; there is no systematic control and systematic expenditure and also there is no proper keeping of records. How is it that the Finance Ministry and the Government together cannot devise a method for this kind of control which is absolutely necessary. I am not going into any politics here, but it is necessary that the Government keeps proper control according to the Budget Grant obtained for the expenditure for the various Departments and that control should be from the Finance Department ultimately. But what do we see here? When in a particular Grant, under various minor heads, expenditure have been granted by sanction of the Parliament., then it is for the Government to make reappropriation with regard to the various Grants. Why does it happen? How is it allowed? The Finance Ministry has no control over it. Ultimately expenditure in the way it occurs has no connection with the expenditure as sanctioned by Parliament. The total design may alter and the finance has no control whatsoever so far as Grants remain the same. The expenditure can be totally altered by the Government, because there is a lack of control. The Public Accounts Committee has time and again said that you must have proper budgetary control and not allow this type of indiscriminate reappropriation in any

one major head, but this has not been done.

Another thing which strikes when one goes into the details is that out of the expenditure of nearly Rs. 45 crores in the Civil Departments, Rs. 10 crores have been contributed by a small place, Andaman and Nicobar Islands. Nearly a quarter of the excess expenditure for which Government today has sought the approval of the Parliament has taken place in Andaman and Nicobar Islands and this apparently has happened according to the Government's own case because suddenly the developmental works in those small islands came to be taken up with great expedition at the end of 1986.

An Island Development Authority was formed with the Prime Minister as its Chairman, and, therefore, development expenditure started in full rush, as a result of which this Rs. 10 crores excess expenditure must have taken place. Although it is not possible to find out from the way the Budget heads are kept as to the actual items on which this expenditure has taken place, the Committee suspected that this expenditure must have taken place in a way that was not earlier envisaged. This must have some kind of linkage with the Prime Minister's visit. That is not what the Committee has said, but that is my conclusion. and it is necessary in such a case that there should be a proper investigation as to the reasons why the excess expenditure has taken place and it has been recommended that there should an enquiry by the Comptroller and Auditor General into the detailed items of expenditure by which this excess has occurred. I hope the hon. Minister will give an assurance to the House that this will be done.

Another item on which excess expenditure has taken place is defence; I have already said that it is nearly Rs. 200 crores. Out of this, Navy has made a large contribution, which appears to be due to the fact that

[Sh. Amal Datta]

Navy does not keep its accounts so far as pay and allowances are concerned properly. They are booked every three month; there is no reason why they cannot be booked every three month. They have or must have computerised accounting system so that this kind of lumping of accounts, three months accounts in one month should not take place and that combined with the fact that they have no proper record keeping system has contributed to about Rs. 45 crores expenditure of the Navy. All this shows the Government in a very poor light. I wish the hon. Minister incharge of expenditure will take some care, spare some time to read the report of the Public Accounts Committee; he will take necessary action and not only read the report. This is because the whole idea is to improve the Government's functioning in a sphere of making the Budget, making the Budget work and exercising some control, which I think, the hon. Minister himself will agree, he does not have at present. That control he must have, not regain, but gain, because I believe the control was never there. But now the total expenditure has become so large that if some control is not exercised, it is going to be disastrous for the country. And, therefore, I will again request that the Government takes these things very seriously. This is not a thing which can be done only in a very short time; it is a long time affair, but unless they take some preliminary steps even now, I do not think, this will come to pass this year or even next year.

I think, the Parliament has to pass this because the expenditure has taken place. But the reason that this has to be approved by Public Accounts Committee is that it has to be physically examined by a body and a Committee of Parliament and see what kind of deficiencies were there because of which the excess expenditure has taken place. The Public Accounts Committee has made this recommendation. Actually, every year it

does so, but Government has not acted upon the recommendations. I only wish that the Government starts acting upon this. Then, there would be no need to come to the Committee again and again for this kind of approval for excess Grants.

DR. PHULRENU GUHA (Contai): Sir, I rise to support the Demands for Excess Grants. Sir, the Government have allotted money for the development of women. Earlier also, I have given this suggestion several times. I once again suggest that we must have a Cell in the Planning Commission and all the Ministries should send their reports on developmental work and programmes for women to this Cell. The Planning Commission must draw up a report on this basis. Only then the country will know about the progress and development of programmes meant for women.

Sir we have a very rich culture in our country. Why are our Government not utilising the museums as educational institutions? Museums, especially the private museums are finding it very difficult to maintain. Government should come forward and help these museums to preserve our rich culture.

In our country, creches have been started for infants and small children. But they are very few in number. Creches must be opened extensively all over the country. In these creches, children should be taught in such a manner that they inculcate group feelings, sense of discipline and develop love for all religions and languages. Teachers must all be trained properly so that they in turn can train these children in the right direction. If we can really teach our children right from the creches, we will not face problems such as communal disturbances which we are facing now. There are still a large number of drop-outs from schools. Especially among the girls, the drop-out rate is very high.

I think more care should be taken. I am very sorry to admit that our women are lagging behind in the field of education. Money is allotted for women's education and also for adult education. The Government must give emphasis for self-employment through education. A majority of our people still feel that education means white colored jobs. For raising the level of education, the problem of population will have to be solved first.

I would like to point out here that 'awareness campaign' has been started in the country. But I would like to draw the attention of the Government that only Seminars will not be enough but village to village work is very much needed. In the villages, if the trained workers go round and discuss the problems in different places, particularly with women, then they will understand the position and they will be able to tell as to what are the difficulties. Through that discussion, we can solve many problems.

Mass literacy is not yet felt as an essential condition for India's progress. The progress of mass education is very slow because there is absence of demand for it from the masses. Mass literacy has so far not been a demand in the Agenda of most political parties. I appeal to all political parties that they must include in their Agenda, in their political discussions, the mass education of the people.

The year 1990 has been declared as the International Literacy Year by the UNESCO. As a nation, we have to respond to the call of the UNESCO for driving away illiteracy from our country. We must respond and respond in a very big way. For one communal disturbance in our country, we spend crores and crores of rupees. The communal forces in our country seem getting strength in the national life. During freedom struggle, all worked together as Indians. There was no question of Hindus, Muslims, Christians, Sikhs or other castes. Politics and religion are different. They should not be mixed up. But towards this end, people should be trained from the very childhood. It should take place

from the creche itself. Secular, non-communal and all democratic forces must stand together and fight in order to solve the communal problem. If it is not really fought, then we will not be able to come out of this situation. I do not know in what way we are going to progress.

National integration cannot be successful if there is no emotional involvement. In the educational field, there should be an all round effort for promoting emotional integration. Media also should play a big role.

I have no time; otherwise, I would have touched some more points. A text-book must be written in this direction. I know, you are going to ring the bell; before you do that, I will conclude. I have so many things to say but anyway, I will conclude now.

With these words, I support the demands.

SHRI THAMPAN THOMAS (Mavelikara): Sir, I fear whether there is any value for this system of the Government. It appears that all the systems are being torpedoed and jeopardized.

Where is the system of Budget? We have got a Budget system. Only a few weeks back, I made a speech on similar Excess Demands for Grants and I criticised the system and also the way in which Mr Gadhvi had replied.

You have to come up with Supplementary Demands, Supplementary Appropriations and all that. So, the exercise which we do here becomes futile. On top of all these things, it happens that this Parliament passed the Budget only a few days back. All of a sudden comes another demand for Rs. 2,000 crores because of prime Minister's declaration. So, what is the respect that we pay to this institution? After Parliament passes the Budget, over and above that if an expenditure of Rs. 2,000 crores can be announced by the Prime Minister—whatever may be the purpose—I wonder what is the value that we give to this institution.

[Sh. Thampan Thomas]

Similarly, today all of a sudden there is an announcement saying that the Session is extended. (*Interruptions*) This has been institutionalized, which means that this Government lacks the perspective. Its view, its look-out, its working are all on an *ad hoc* basis. This *ad hoc*-ism is very bad for this country.

The framers of our Constitution had never thought of this *ad hoc*-ism. This *ad hoc*-ism results in malpractices and also ends in gross injustice to the common people of this country. When we have a total look at the institutions, and go through the discussions which our forefathers and leaders of the nation had during earlier budgets, we see that there was some seriousness then. They were involved in it. Government, of course, confined itself to those things, and Government was accountable to Parliament. What do we see now? Before the Budget comes, the administered prices come. After the Budget, there will be a programme which is populist, a gimmick, a fraud on the people, i.e. this *ad hoc*-ism. After that, we have the Appropriations, Demands for Excess Grants and Supplementary Budgets. Because of all these things, the rise in inflation is very high. In the Budget if you say that the deficit will be Rs. 5,000 crores, finally when it is tallied, it will be Rs. 12,000 crores. What will be its overall effect?

I have repeatedly said that the overall effect is that the value of the rupee, compared to 1960, is reduced to 12 or 11 paise in 1984. Who is the sufferer; on the whole, what is happening? Why this *ad hoc*-ism; who do we do these things? Our Constitution, our budgeting and our systems had a certain sanctity. Why has this been overlooked? On the whole, this immaturity plays a big role in our nation. The destabilization of the nation's economy is there on account of such malpractices. This is very well revealed by these Appropriations-which you have spent; we have no other alternative but to approve them, because they are a *fate accompli*. Because they are a *fait accompli*, we

have to a prove them. For what purpose have they been spent?

What Mr. Amal Datta has said is correct. It is surprising that such a huge amount, viz. Rs. 45 crores has been spent in Lakshadweep or Andaman and Nicobar islands, for a particular purpose. Of course, you should give us an explanation, as to whether what he said is correct or not. We read in the papers that one big war ship was going around Andaman-Nicobar islands when 2 or 3 persons visited that place—which cost us crores of rupees per day. Perhaps it would not have come on the personal account of the Prime Minister. But since the Prime Minister is going to visit a particular island, if that island is surrounded by Defence forces and if it comes as part of the Defence accounts ultimately, of course it will be a fraud on the people. What doubt can be there about it? If it is an expenditure directly shown as incurred on Prime Minister's visit, I can understand it if it comes as an appropriation if it is shown as an appropriation for Defence, I call it as fraud. No doubt about it. Mr Amal Datta had been fortunate to be the Chairman of the Public Accounts Committee, and he could find out those things. The nation really requires an explanation from the Minister if that is true. If that is true, we require an explanation for that. The nation requires an explanation on this point.

I also see that Rs. 200 crores are now being demanded for Defence services. For what prupose is the demand being made?

Last time I do remember Mr. Gadhvi said, while replying to the debate, that was for the prupose of the freedom fighters' pension or something like that. Then I said, if it is for Sri lankan purposes, I do not agree to that, because it is at the cost of the nation. If it is so, then it is an immaturity or adhocism and you are playing with the lives of the people. You will have to put a stop to it somewhere.

[*Translation*]

DR. G.S. RAJHANS (Jhanjharpur): Mr.

Deputy Speaker, Sir, I was listening to the speeches of my friends from the opposition very attentively. I paid attention to the points raised by Shri Reddy, Shri Amal Datta and Shri Thampan Thomas with rapt attention. I was amazed at the irresponsible talk of Shri Amal Datta, particularly when he is chairman of P.A.C. There is an excess expenditure of Rs. 10.33 crore in Andaman and Nicobar Islands. There is an explanatory note under it:

[English]

"The excess is mainly due to larger expenditure (i) purchase of stores for maintenance of buildings (ii) claims of Shipping Corporation of India for shipping services (iii) settlement of certain outstanding dues of Medical Stores Depot and (iv) implementation of the Fourth Pay Commission's recommendations."

[Translation]

Where is it mentioned that expenditure was incurred in connection with the visit of the Hon. Prime Minister, these things are intended to mislead the people. While being a member of this House, you are misleading the people. What greater injustice can be there than this?

You say that it has been put under Defence. Where has it been put under Defence? You want to mislead the people so that reports may appear in the newspapers that Prime Minister visited Andaman Nicobar Islands.

SHRI AMAL DATTA (Diamond Harbour): Was no expenditure incurred on the visit of the Prime Minister. You may say no expenditure was incurred.

DR. G.S. RAJHANS: No such expenditure was incurred. you identify the expenditure.

[English]

SHRIAMAL DATTA: Under which Head are you showing it? You are admitting that the money has been spent on the Prime Minister's visit.

DR G.S. RAJHANS: No, I am not admitting it. (Interruptions).....

SHRI AMAL DATTA: Are you not admitting that any expenditure has been incurred at all? The entire Navy went there.

MR. DEPUTY-SPEAKER: I do not want any dialogues between the members.

.....(Interruptions).....

DR. G.S. RAJHANS: Everything is in black and white. Don't try to mislead the people. There is no mention like that.(Interruptions).....

[Translation]

What I mean to say is that whatever you say, it should be based on facts. Not for the sake of criticism.(Interruptions)..... All the items of expenditure have been specified and there is an explanatory note under each item—for instance in case of Defence Pension:

[English]

"The excess over the Voted Grant was mainly attributable to larger expenditure on (i) procurement of stores and POL on account of certain operational requirements and (ii) maintenance works."

[Translation]

What is wrong in it? It could not be assessed.

Under Defence Service-Army:

[English]

"The excess over the Voted Grant was

[Dr. G.S. Rajhans]

mainly attributable to larger expenditure on procurement of stores and POL on account of certain operational requirements and maintenance works."

[Translation]

It was not foreseen, what is wrong in it?

Under Defence Service-Navy:

[English]

"The excess over the Voted Grant was mainly attributable to larger expenditure on Naval Stores, aircrafts due to variation in exchange rates and POL to meet operational needs and maintenance works."

[Translation]

under Defence Service - Air Force :

[English]

"The excess over the Voted Grant was mainly attributable on account of larger expenditure on aviation stores and POL as a result of introduction of new aircrafts, maintenance works, and larger expenditure on implementation of the Fourth Pay Commission's recommendations."

[Translation]

Who could foresee it?
under Capital outlay - Defence Services:

[English]

"The excess was mainly attributable to larger expenditure due to acceleration in the progress of construction works."

[Translation]

Who would foresee it? Therefore, I say that

excess grants on account of excess expenditure submitted by the Government, are fully justified and there can be no two opinions about it. Shri Reddy has left, I wanted to say a few things to him. He had said that huge expenditure was being incurred on defence and he insisted that we were quarreling with Nepal. I want to make it clear that we are not quarreling with Nepal, China and America are instigating Nepal to quarrel with us. He may have or may not have visited Nepal. I live very near to Nepal, my house, my area lies on Indi-Nepal Border. I have visited Nepal thousands of times. All the people living in the foot-hills, people of Indian origin, are congratulating the Indian Government today for adopting a firm and strong attitude for the first time and they have said that they will no more tolerate many wrong things. Instigated by China, our brotherly nation Nepal is doing many wrong things. Anti-air-craft guns, thousand of truck load of ammunition have been procured from China and stored in the foot-hill area barely 2-3 km. away from our border. Is there any justification for these activities by Nepal? Can the people of C.P.M. who owe loyalty of China give any justification for it.....(Interruptions) Why do you feel uneasy? It is in the national interest, please listen. What is the purpose behind bringing from China, thousands of truck load of ammunition and keeping it in the foot hill area. The people of Indian origin, who have been living in Nepal for the last 600-700 years, are being exploited. Nepal is asking them to produce citizenship certificates. How can they do so when no citizenship certificate have been issued to them? The people, who have been working there for the last 50 years, are being asked to produce work permits when the fact is that no work permits have been issued to them. It is a simple case of asking the persons of Indian origin, whose number runs into crores, to quit Nepal. It is really shameful that some of our people are supporting Nepal instead of condemning it for its intransigent actions. lakhs of people living in the foothill area on Indo Nepal Border, have supported the action of Government of India and have requested it to adopt a firm attitude. Thousands of people had been passing through

Nepalese territory for hundreds of years while travelling from one part of Bihar to another area of the State and their vehicles were never taxed. Today on each occasion, a motor-cycle passes through Nepal, it has to pay a tax of Rs. 100, what is the justification for it? If someone crosses the Nepalese territory. 20 times in a day, how ridiculous it looks if one has to pay Rs. 100 as tax each of the 20 times? What is the justification in your siding with Nepal? I feel that Government has taken a very firm attitude towards Nepal. I congratulate the Government on behalf of the people living on Indo-Nepal Border and request the Government to stick to it so that Nepal, which has been influenced and instigated by C.I.A. and forces hostile to us, is made to see reason and logic and view the situation in the right perspective.

I want to say one or two more things. Commenting on the audit note that an excess expenditure of Rs. 2 lakh 20 thousand was incurred, you have stated in the note on this Excess Grant.

[English]

The excess was due to the effect of implementation of the Fourth Pay Commission recommendations relating to Group A Officers, which could not be anticipated to the full extent.

[Translation]

It is correct that the pay Commission granted high salaries to the officers of Group-A resulting in this excess expenditure. My submission is that since salary of officers of Group-A have been increased, they must be made to do more work. With this increase in their salary, they have perhaps become the highest paid officers in the country. In fact, to-day, bureaucrats have become monarchs. They are no more public servants but have become public masters. They only rule and no development work is done. That is the situation not only is one state but in all the states. If the Government is interested in making India a welfare state in the real sense

of the term, then it should ask the Group A officers to serve the people in the true spirit.

An expenditure of Rs. 2 lakh fifteen thousand has been incurred on tourism. It means that due attention has not been paid to tourism. Tourism has a tremendous scope in our country and if it is developed properly our country can earn huge amount of foreign exchange. Therefore tourism needs to be paid full attention. The Government has spent Rs. 10 crore 92 lakh on public works and many items have been under taken in it. This expenditure appears to be on the quite high side and therefore needs to be paid attention. The Export Promotion and Export Production Bill shows an excess. This is all right but exports need to be promoted as there is still a lot of potential in this field. All the big business houses take no interest in export promotion. We will have to take such measures that the big business houses in our country may take interest in export promotion because the position of our foreign exchange and balance of payment is not satisfactory.

With these words I thank you for having granted me the time to speak.

SHRI RAM BHAGAT PASWAN (Rosera): Mr. Deputy Speaker, Sir, I rise to support the demands for Grants. The circumstances take such turn that the Government has to incur additional expenditure. The Government had to sanction additional funds to implement the recommendations of the Fourth Pay Commission. However I would like to draw your attention to some such schemes of North Bihar which are lying pending in want of financial assistance. These schemes require at the most an amount of Rs. 10-15 billion to implement them. If these schemes are implemented, they can prove extremely beneficial. These schemes are the approved ones and work on them had already been started but they had to be abandoned because of financial crisis. Whenever we ask to re-start these schemes, it is stated that still there is a financial crisis and it is not possible to implement them. Therefore I would request the hon. Minister

[Sh. Ram Bhagat Paswan]

that all the schemes which are lying pending in North Bihar should be implemented because these are productive schemes and with their implementation not only will the Government be benefitted, but poverty and unemployment can also be alleviated. I, therefore, urge upon the Government to give financial assistance for these schemes so that they may be implemented.

I would like to add that North Bihar is struck by floods every year and the permanent solution to this problem lies in the construction of dams on the three rivers viz-in the barrage area on the river Kosi, on Kamla Bagaan river in Sisa Pani and on the river Baagmati at Nunthar. It will solve the problem of shortage of power in North Bihar. Rather it can remove the shortage of power in the entire country and power can be supplied to each and every house. Therefore the Government should complete this work by providing special financial assistance for this purpose. There is not even a single factory in North Bihar. You may get a survey conducted in this regard. People in this region are wriggling under poverty and the wrath of Nature. Here in this state some parts have excess of rains and floods, some others have scanty rainfall and drought. Government has to spent crores of rupees on relief measures on that account. Just now Dr. G.S. Rajhans has pointed out that the Government is going on increasing the salaries of the officers but you should look to it that 80 per cent of the development funds is pocketed by the bureaucrats. Funds meant for the construction of roads in villages are diverted for constructing their own palatial buildings. The Government may provide facilities to the officers and increase their salaries as well as pensions but the corruption prevailing among them should be curbed so that the funds meant for development may not be misused.

I would also like to submit that four thousand employees of Ashok Paper Mill in North Bihar are without employment as it is lying closed these days. Whenever a point is

raised to re-open them, it is stated that there is a financial crisis. Innumerable number of representations were sent and on a number of occasions there were dharmas and hunger strikes to get it re-opened but it was not reopened on the pretext of financial crisis. That mill has thousands of acres of land on which there are buildings fitted with machinery etc. However it is not being operated in the name of financial crisis. The Government should take steps to re-open it.

The Government should find out the extent of Regional imbalances. In North Bihar the flood situation has not been controlled, there is no means of transport and no factory has been set up there. Thus there has been no development in this area. In order to start development work there it is essential that a railway line is constructed from Sakri to Hasanpur. It will cost Rs. 60-65 crores. Similarly a broad gauge line should also be constructed between Darbhanga and Samastipur to connect these Ports with Nepal and a number of other big cities of India. It will cost not more than Rs. 40 crores. All these schemes are the approved ones and due to their not implementation, the entire North Bihar is facing a lot of problems. Whenever we request the hon. Railway Minister for the construction of these railway lines, his pet reply comes that there is financial crisis and he is not in a position to get these lines constructed. Through you I would like to draw the attention of the hon. Minister to the requirement of additional funds for the completion of this work so that the poverty of the people living in North Bihar may be alleviated and power generated here and the finished goods manufactured here in the factories may be supplied to other places.

I would like to make one more submission, that in the recent major earthquake in Bihar, thousands of houses, school buildings and universities were devastated. Thousands houses of the poor people also got damaged which they have not been able to re-construct. Earlier we had got the information that amount of Rs. 7-8 thousand will be given as the amount of compensation for Kuchha houses and Rs. 25 thousand for

pucca houses. However this amount has not yet been paid to them and it is being done in the name of financial crisis. Earthquake has caused a heavy damage in these parts. Hence the Government should provide special grant to Bihar for the earthquake affected people so that the houses of the poor which have been raised to ground may be re-constructed.

The problem of the unemployed youth is assuming a very serious dimension. The Government provides them only Rs. 25 thousand to start their own business in this period of inflation and even for that they have to run from pillar to post. They get trapped in the labyrinth of rules. The Government should increase this amount from Rs. 25 thousand to Rs. one lakh and make such an arrangement that the applicant may get this amount easily. This is quite essential. It will help the unemployed youth in starting their own business.

Besides, I would also like to add that the Government has set up housing boards in urban areas. It is even more necessary to set up such boards even in rural areas. In the urban areas people do have the facility of Government accommodation but the situation in rural areas is quite different. The Government should make a provision of funds for housing boards in rural areas as well. Besides such houses should be got constructed in the rural areas as may not collapse during floods and other natural calamities. You should see the condition of the houses which are being constructed in the Harijan colonies being built up under "Indira Awas Yojana". These newly constructed houses hardly take any time to collapse. An amount of Rs. 5-6 thousand is provided for the construction of each such house yet the entire amount is not spent on them. As a result these houses cannot withstand the fury of natural calamities. They get collapsed very soon taking the life of a number of persons. The Government should provide an amount of at least Rs. 50 thousand for the houses which are being constructed under Indira Awas Yojana. That much of amount is a must for the construction of a house. The

number of houses to be constructed may be small but these should be strong and durable because these are meant for human beings and not for animals but if one happens to see the condition of these houses being constructed at present, it seems the other way round. You go there and ascertain the facts. I would, therefore, like to request the hon. Minister of Finance to provide at least Rs. 50,000 for a house under the Indira Awas Yojana so that a good house could be constructed for the people to live in it. It does not matter if only a few number of houses are constructed. I would like to request you to issue directions in this regard.

Wherever there are floods, there is incidence of diseases like malaria in its aftermath. Even ordinarily there are such diseases in the villages. Besides, the provision for drinking water in the villages is quite inadequate. Hence the Government should make compulsory provision of drinking water in the villages especially in Harijan colonies. Government should provide more funds for drinking water so that people could get clean and potable water.

With these words I express my gratitude to you for giving me time to express myself.

SHRI RAMASHRAY PRASAD SINGH (Jahanabad): Mr. Deputy Speaker, Sir, the august House is holding a discussion on Demands for Excess Grants. From the very practice of Demands for Excess Grants being brought before the House time and again it appears that the Government is not paying any heed to the recommendations of the House. Government is working in an irresponsible way which is causing a huge damage to the country. The wrong economic policies of the Government are putting an adverse effect on the people. Besides, the economic development in the States have come to a dead slow due to these policies. If the Government does not take tangible steps to control inflation, the economic structure of the country will collapse. Due to inflation the prices of essential commodities are increasing by leaps and bounds and foreign exchange reserve of the Government is also

[Sh. Ramashray Prasad Singh]

shrinking. The value of rupee is going down in the international market. I would, therefore, like to warn the Government that if the non-plan expenditure is not controlled, it would be difficult to save the country in future. This time the House could not discuss the Budget in respect of a number of Departments. These were left out with the plea that time for that was short. Mr. Deputy Speaker, Sir, it was very necessary that discussions should have been held on each of them. It would have helped the Government, but the Government sidetracked it.

Education is the most important thing in a country. The Government has not been able to lay down any specific policy in regard to education over the last 42 years. As a result of it, children of farmers, labourers and poor people still continue to be illiterate in the villages. The Government has provided for various types of education. There is one type of it in which education is received free of charge and in another type of it, it costs Rs. 10,000 per month. In villages, there is free education in primary schools, but there are no academic activities in these schools, Farmers' sons get admitted to these schools. You may conduct a survey to find out the position and progress of education in the villages. In this connection I would like to tell you that just like Gurudaspur etc. which is a sensitive area in Punjab, my constituency Jahanabad in Bihar is also going to be a sensitive area. There is no arrangement of schooling of children in the villages having a population of 500 to 1000 people. That is why these villages are turning into naxalite pockets. I have been time and again bringing this matter to the notice of the Government as to how speedily the youths of that area are joining the liberation organisation. If you want to eliminate the sensitiveness in the area, you will have to fulfill your commitments you had made to these poor people for the provision of primary education in villages having a population of 200 people of Scheduled Tribes, 300 people of Scheduled Castes and 500 general category people during the Seventh Five Year Plan. But no

such arrangements have so far been made in this area even though the term of the Seventh Five Year Plan is going to be over. I have time and again been raising this point in the house, but no attention is being paid to that.

Mr. Deputy Speaker, Sir, there are still some points that I would like to bring to your kind notice. People are experiencing acute shortage of drinking water in my area. Hence, these people have to go to distant places for water. People store water in pucca water tanks and use it for drinking purposes. That is the situation in a number of places in Jahanabad. Thirdly, a number of projects are lying pending with the Government for the last 9 to 10 years and no action is being taken on them. Punpun Daragha Project is also one such projects, the estimated cost of which has escalated manifold as compared to its original estimate. If we want that development should take place in the country in the real sense, we will have to complete all the projects lying pending for want of clearance. If shortage of funds comes in the way, how these projects will be implemented? These projects will remain incomplete for all time to come. I would like to request the Government not to overlook these projects. The Punpun Daragha Project may please be cleared at the earliest and handed over to the Government of Bihar. Separate funds should be provided for this project so that irrigation facilities could be made available to the people of that area and sensitiveness of the area could be eliminated.

I would like to make yet another submission. I came across a very serious situation and large scale bungling in respect of the 1988 preliminary examination of the Civil Services in which people had a great trust and faith. Malpractice on a large scale took place in this examination. I know an instance in which the candidate was called out and given help to copy out the answer. Thereafter, the boy was got passed in the test. It is not a healthy sign if the people entrusted with the responsibility of running the country indulge in such malpractices. This type of irregularities took place especially in Bihar

and Uttar Pradesh. I ask you to hold an enquiry into this incident. If you do not get this thing enquired into the conditions will go on deteriorating in the country. It will also create resentment among the youths. You know what difficulties you face and what cost you pay when the youths are enraged. Even after that their resentment does not recede. This matter must be got enquired into by the C.B.I. You should not at all hesitate to hold an enquiry, because it will teach a lesson to the coming generations as to how the defaulters are punished. Jahanabad has been declared a 'no industry' district. You are going to open big industries in the sensitive areas in Punjab. I would like to request you to set up new industries in Jahanabad in Bihar on the same line so that the youths of the area who are roaming about hither and thither could join the national mainstream. The hon. Prime Minister has time and again been making a reference to Jahanabad, but in spite of every day killings, the Government is not paying any attention to it. There is some Government land which should be distributed among the poor. The Government have enacted a law in respect of consolidation of land and made a propaganda that land will be distributed among the poor people and the Harijans. In my constituency there is a village called Dumari in Ghosi subdivision. Land deeds were prepared in the name of poor people of that village and the file was sent to the Finance Commissioner of Bihar for proper settlement of that land. But the Finance Commission returned the file with the remarks that if the land is allotted to Harijans, there will be widespread bloodshed and out break of riots. This is what the Commissioner has written. You can call for the file and see it yourself. You may also see if the Commissioner is empowered to write like this and also find out as to what are the powers of the Commissioner. Is it indicative of the success of the 20 point programme? I, therefore, request you to distribute land among Harijans against land deeds prepared for the purpose. The State Governments should be pressurized to do the needful in this regard. With these words I conclude.

SHRI HARISH RAWAT (Almora): Mr. Deputy Speaker, Sir, this is a mere formality and I would like to support it, I would also like to invite the attention of the Government to two issues. Firstly, such a heavy excess expenditure is not a good symptom. The financial Controller should oversee every department. These expenditure could have been adjusted at the time of bringing demands for supplementary grants by the Government in the House. Failure to get them adjusted at that time and bringing excess grants for approval of the House is not a healthy symptom. I would like to draw the attention of the House towards several demands of excess expenditure. At page 15 of the Bill, against demand No. 83, there has been 40 per cent excess expenditure. Same is the case with demand No. 74. Against demand number 56 with regard to Andaman-Nicobar Islands there has been 54% excess expenditure. Excess expenditure has been incurred on the item which could have been visualised before hand and for which there is no justification at all. This is a failure on the part of the Government in anticipating the expenditure in advance. The attention of the concerned departments should be drawn to it. The excess expenditure in respect of demand No. 24 relating the Ministry of External Affairs appears to be justified, because there has been an excess of a small amount of Rupees two hundred only, but 30 to 40 per cent excess expenditure is a matter of concern. The excess expenditure in the Ministry of External Affairs could be justified. The balance of payment position in the Ministry of Defence disturbed due to the implementation of recommendations of the Fourth Pay Commission and amendments made in the pension rules.

15.55 hrs.

[SHRI N. VENKATA RATNAM *in the Chair*]

There could be justification with regard to Foreign Trade also, because the burden on it increased due to huge withdrawal by U.S.S.R. and Cechoaslovakia. But I would

[Sh. Harish Rawat]

like to submit to the hon. Minister to Finance that in some cases Ministries and Departments should be instructed to be vigilant about it. As far as I know, the P.A.C. of this House has also urged upon the Government time and again to anticipate the expenditure beforehand. Such situation may arise. So efforts should be made to make advance anticipation of it. Brining such demands for grants before House for its approval is not a healthy sign. I would urge upon that necessary caution should be taken in this regard in future. I would also like to request the hon. Minister of Finance that there are some issues which should be decided by the Government. One such burning issue is the payment of D.A. instalment to Central Government employees. A clear provision has been made in the Budget in this regard and the Supreme Court and the Fourth pay Commission have also opined in clear terms that the payment of D.A. should be made in time. The instalment is due from January. The Central Government employees are becoming restless, as the instalment has not yet been paid. The payment should be made immediately. For a long time, the Central Government employees are making a demand for a permanent Wages Review Board on the line as is obtaining in the public sector undertakings and after every four years their wages are reviewed. As a result of wait negotiations, their wages are increased substantially but Central Government employees are deprived of such facilities. They have to wait for the setting up pay commission and its recommendations. It is a time consuming process. I would like to urge upon the Government to setup a permanent wage negotiation Board as is available for the public sector undertakings which could make recommendations for the wage hike taking the prevailing situation into account. This will bring a sense of satisfaction among the employees of the Central Government. This will be a historic step in itself. With these words, I support the Demand for Excess Grants.

16.00 hrs.

[English]

SHRI. N. TOMBI SINGH (Inner Manipur): Sir, I support the Demands for Excess Grants for the year, 1986-87. I do not see any abnormal character in this exercise. In the financial procedure we have adopted, particularly after independence, this kind of exercise is absolutely normal. When we examine the items one by one, we will find that the Demands are justified. Of course, the only point that has to be made on the critical side is that some of the Demands we have not anticipated but it happens that it is part of the Budgetary exercise of every Government like ours. There are 15 separate Demands covered by nine Ministries. I would like to confine my observation to a few Demands only.

I would like to draw the attention of the Government to the Demand for Defence in which mention has been made about the maintenance aspect of the Air Force. Today in 'The Hindustan Times', a very important article has been published under the caption "Why IAF has accidents?" by Shri K. D. Chaddha. In this article, some important points have been raised. Number one is that we should avoid accidents in the Indian Air Force where it can be avoided. It means that we should take precautions in maintenance, training and timely grounding of aircrafts etc. A suggestion has been made of the likelihood of quality being compromised in the maintenance factor by the Hindustan Aeronautics Ltd. I do not know the facts. But this is a very important suggestion. By implication, it is a stricture on a very important Ministry like Defence because our Defence forces should grow very fast not only quantitatively but also qualitatively in efficiency in human factor. This article has suggested that we have a number of important factors to be looked into. Number one is maintenance. The other aspect is the environment character like bird menace. It has to be controlled by many agencies. We must control bird menace so that we can have

smooth flights for civilians and for defence planes. We had passed legislation in this regard. I do not know where the implementation of that legislation stands at present.

I would like to draw the attention of the Finance Minister, through you, to the aspect of tourism. A Demand has come under the Ministry of Tourism. Let us take particularly my State of Manipur. Tourist experts and lovers of nature say that Manipur is the Kashmir of the East. But, this certificate alone is not enough. The entire North-East is having certain handicaps particularly in the field of tourism because of the ban on the visits by foreigners to that area. The Government had been good and wise enough to lift the ban on foreigners visiting Punjab. If the Government could examine the possibility of lifting the ban on foreigners visiting North-Eastern States by amending the law regarding the inner line permit, this will act as a great booster for the development of tourism in the North-East. In the same way, development of hostel accommodation should be given due attention and priority. Leaving Assam for the moment because it is a bigger and viable State and leaving aside Shillong which is the capital of Meghalaya for the moment, the other small States, their capitals and the cities there are not having the minimum facilities for Tourism. So, that way, the Department of Tourism has to open more hotels with more investment. Perhaps, that will not be a regular and annual kind of investment but it is once and for all, for a long period. According to the programme, the hotel facilities have to be developed in the smaller States particularly in the States of Manipur, Nagaland and the adjoining States.

The other aspect that I would like to mention is about Water Resources. Mention has been made of the acquisition of imported rigs. The imported rigs have proved to be very useful to the hilly and rocky areas and the North Eastern States where water comes quickly but comes very oftenly. Then the rate of rainfall is very high. But the water comes quickly and goes quickly. In such areas, we have to find other means viz. the underground source of water. But normally the

underground tube-wells do not work. Therefore, for instance, in my valley, for getting underground water, we have to dig thousands of metres deep into the ground. But even after that, we do not get good drinking water. We get only muddy water. But I would like to say that in the rocky areas, hilly areas and in the foot-hill areas, the rig is working very satisfactorily. It is very useful to such areas. Therefore, we should have more rigs in these rocky and hilly areas. There is ample justification for getting more and more imported rigs for these hilly areas so that the other source viz. the underground source of water can be provided to these areas. There is scarcity of drinking water. There are several complaints about the scarcity of drinking water even from Calcutta and from other valleys and hilly areas. But then the nature of the problem is different in those areas. It is quite different when we compare the difficulties in our hilly areas and the problems that we have in areas like West Bengal, Calcutta and other place. Scarcity is there, no doubt. But then the magnitude of the problem in the hill areas is quite different. In order to remove the water scarcity that is obtaining in the hilly areas, the use of rigs should be encouraged to obtain ground water. The imported rigs can work in the sub-soil as well as rocky soil areas. I think the underground water should be made use of and it should be encouraged. We should have more rigs for this purpose.

I would like to make another point. Under the Ministry of Energy, mention has been made of the Inter-State Transmission Lines. The Government of India has given sanction for the installation of transmission lines. We have got the Central Project known as the Lokta Hydro-Electric Project. From that project, we have to supply power to Nagaland, part of Assam and Tripura also. When the Centre sanctions these transmission lines, provision has to be made that due care is taken to see that no *ad hoc* arrangements are made. Even when we have plenty of power, due to failure of the transmission lines, due to failure of the Inter-State Transmission Line, there is frequent brake-down of the supplies. There is also another possibility. Since the transmission lines are pass-

[Sh. N. Tombi Singh]

ing through difficult hilly areas and jungles, there is the possibility of interception, power-theft and for that nobody has to pay. There is a lot of possibility to do such things. In order to be free from these problems, the States receiving loans, grants or assistance for Inter-State Transmission lines should be given stern warning that proper steps should be taken to plug such loopholes.

Last but not least, I would like to mention about the industrial and scientific research. Mention has been made in the demand for additional grants that have been given to the Central Electronics. In our North-Eastern States because of transport difficulties and bottle-necks, we do not see the possibility of big industries coming up even within the foreseeable future. What can be thought of practically for these electronic and other industries where the human resource can be utilised properly? In this regard, I have mentioned on a number of occasions during my speeches and also questions have been asked that in a State like Manipur, these industries are not coming up. In spite of our demands, it is not coming up. Railways will not be coming. Where is the way and what are the means to provide employment to young boys and girls who are coming out after their scientific and collegiate education? All of them are getting frustrated after getting graduation and post-graduation degrees. Thousand of them are getting frustrated and they are taking to other ways like agitation, under-ground activities, insurgency etc. We can stop them somewhere if we can provide some means of employment. And the means is the small industries. One example is the electronics industry. I had mentioned in my other observations, on some other occasion that Manipur can provide good human resources and technological skill. People can adopt it easily. Here, the HMT, the Central Electronics Department and such undertakings should see that they open more of their units of employ young people. This will give economic relief on the one hand and on the other hand, this will be a political kind of relief to the Government

because frustrated young people, the unemployed who are not having any means for employment are there.

The other aspect that I would like to mention is the civil supplies. There is a possibility of certain commodities being allotted to remote and outlying States like the State of Manipur. Reports are there that commodities like rapeseed oil and other commodities get allotted and these are lifted by some agents or by some distributors appointed by the State Government. And there is a pilferage of these commodities either with or without the knowledge of the Government, with the result, commodities do not reach the destination. So, the allocations do not have any meaning if they are pilfered on the way. I would like that the Government in consultation with the State Governments should take steps to stop pilferage of commodities allotted for State's consumption. I had raised a question in this regard whether the commodities like rapeseed oil are being pilfered by distributors before they reach their destination. The Government said that they had no information. Perhaps, the State Government has not provided any information. I do not know whether officers on this side or that side are involved in which case, it is impossible to get the information. I do not have specific information of a particular officer. But it is a fact that for so many years, pilferage is taking place. I would like to draw the attention of the hon. Finance Minister so that this can be taken care of.

With these words, I conclude my speech. I support the Demands.

SHRI G.M. BANATWALLA (Ponnani):
Mr. Chairman, Sir, the House has been called upon to regularise excess expenditure to the tune of Rs. 242.24 crores. I do concede, occasions arise which necessitate excess expenditure. I will, therefore, not indulge in wild allegations that the Government is out to destroy every system, every institution and all that. Occasions, we know, do arise which lead to excess expenditure. However, the magnitude or the dimension of

the present excess expenditure is such as to cause serious concern. I must therefore urge upon the Government to see to it that the budgetary control is tightened up.

The Public Accounts Committee also in its report relevant to the present excess grants has emphasized that certain excesses are of the nature which could have been anticipated if not at the time of the original budget estimates, at least at the time of the supplementary demands. This observation of the PAC should be taken seriously and every effort should be made in future to see that such instances do not arise. Such supplementary demands and then excess expenditure really distort all budgetary exercises and must be avoided.

The present excess expenditure also reflects to a very large extent a miserable failure or a lack of budgetary control. That is a point that the government must seriously consider. The Public Accounts Committee has repeatedly emphasized upon effective control over expenditure. One wonders as to how many times more will the PAC be required to repeat its own observations.

There is also another observation by the PAC to the point that the Government should take care to avoid rush of expenditure at the closing of the year. That vitiates budgetary control. A third observation that has been made is that attempt should be made to reduce the time lag between incurring of expenditure and its booking. I have risen specially to emphasize all these recommendations of the PAC.

Today the Government is asking this House to regularise the excess expenditure. The Government owes it to this house to explain what steps have been taken in order to fulfil these important recommendations of the PAC. Let the Government explain to this House as to what steps are being contemplated in order to tighten budgetary control, on order to identify areas where schedules could be laid down for receipt of bills and their payments, etc., and in order to reduce this time lag between incurring of expendi-

ture and its booking. Let us know what is the thinking of the Government. Let this House know what action is being taken in these important respects before the House is called upon to vote this excess expenditure to be regularised. Let the Government sincerely assure this House that no efforts will be spared in order to see that the excess expenditure, if it could not be avoided, is at least kept within its justifiable limits.

It is an important point to be noted that there are several Ministries which use their appropriation powers in such a manner as to modify the original budget estimates to a substantial extent. Therefore, it is necessary to have a review of the appropriation powers of various Ministries. May we know from the Government as to what steps are contemplated in order to review the appropriation powers of various Ministries which are destroying our budgetary control mechanism.

There is another very serious point to which I would like to draw the attention of the Government and this House. I was very much shocked to read that there have been considerable erroneous bookings. What do you mean by these erroneous bookings, and that too, to such a great extent? In the case of Demand Number 22 also, which is 'Capital outlay on Defence Services' there are erroneous bookings. This is in the case of our Defence Ministry. I was, always, under the impression that, of all the Ministries, a greater discipline must be there, in the case of Defence Ministry. But I was shocked to find that in the case of capital outlay on Defence Services, the excess expenditure is to the tune of 7.67 crores of rupees and the erroneous booking over there is 6.99 crores of rupees, which had to be corrected and which has to be taken into account. The Defence Ministry has contributed to the maximum extent, with respect to the excess grants, that is, out of a total of 242.24 crores of rupees, as much as 190.48 crores of rupees of excess expenditure is by the Ministry of Defence. I do not want to make a lot of observation with respect to their excess expenditure, but I do not know what prompted them to have it. This erroneous booking is

[Sh. G.M. Banatwalla]

something which is very shocking. Erroneous booking to such a great extent, entering into our accounts, is a mockery of our budgetary control mechanism. It is not at the stage of Supplementary Demands, but at the stage of excess expenditure, that we are, now, told of erroneous bookings and their corrections in the accounts. I would like to ask the government who is responsible for such erroneous booking? What has been done in order to hold the personnel responsible for the erroneous bookings? Have they been brought to book? What steps have been taken in order to see that such erroneous bookings do not occur again, making a mockery, as I said, of our budgetary control mechanism?

Mr. Chairman, Sir, I just heard an hon. Member speaking about Demand Number 11, i.e., Foreign Trade and Export production. He was misled by saying, 'Yes, we have to increase our exports Does it mean that whatever you do, should be accepted by this House? But, here, the question is different with respect to excess expenditure. In all your efforts on increasing exports, our support and our sympathies are with the Government. But, in the case of Demand Number 11, the excess expenditure is said to have occurred, as a result of larger drawals by USSR and Czechoslovakia, over the technical credit facility for making purchases from India.

It is a surprising state of affairs. Anybody knowing elementary principles of accounting and auditing will find it very difficult to swallow such an explanation of excess having occurred. Fortunately that was my subject also. The excess of drawls by USSR and Czechoslovakia must have occurred but the excess must have occurred during the period of the year. Were not you watching these excesses that were taking place? During the year the excesses are taking place. You keep some budgetary control and watch those excesses that are taking place with respect to drawals by USSR and Czechoslovakia and come at an appropriate

time when supplementary demands are before the House. This justification only shows that there is unfortunately lacking as far as our budgetary control devices are concerned. I must, therefore, emphasise the need for strengthening of the budgetary control devices. Whose duty was it to keep a watch on these drawals by these countries? Who failed to keep that watch? What exercise has been taken in order to see that the failure is punished and steps are taken in order to see that such failures do not recur.

There are several other grants here which could have been visualised easily at the time of the original budget or at the time of the excess grants. We have Demand No. 22 - Capital Outlay on Defence Services. Why the excess took place here? The excess is nearly to the tune of Rs. 7.07 crores and we are told that the excess was mainly attributable to larger expenditure due to acceleration in the progress of construction work. My congratulations to you for accelerating the construction work but by accelerating the construction work perhaps you avoided escalation of costs and while avoiding escalation of costs you have incurred excess expenditure for accelerating. This is how we are moving in various vicious circles.

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): It would have otherwise spilled over to next year.

SHRI G.M. BANATWALLA: It should not spill over to next year. Why was there failure in carrying out your schemes in time? That is the point I am emphasising. Do accelerate your work but the acceleration and completion of work should be in normal time.

I must, therefore, say that there are various stages as far as these excess grants are concerned where greater vigilance is wanted. Of course, there are certain items which could not have been anticipated. I do not rise to make wild allegations that Gov-

ernment is out to destroy the institution. I am sure Government is as much worried of excess expenditure as any other Member of the House of anybody else.

I am sure, the Government also respects Budget though the degree of respect may be a little different. However, without making wild allegations, I must conclude by saying that the present excess expenditure woefully reflects a lack of budgetary control which needs to be strengthened in the interest of the system.

[Translation]

KUMARI MAMTA BANERJEE (Jadavpur): Mr. Chairman, Sir, I support the Demands for Excess Grants presented here. Only three ministries were covered when the discussions on Demands for Grants were held in the House. We got no opportunity to discuss the demands for grants relating to Education and Defence Ministries. The Defence Ministry is an important Ministry of our country. Excess expenditure can take place there and I have nothing to say against it. It is customary for the Central Government or the State Governments to hold discussions on Demands for Supplementary Grants. Shri Banatwalla has rightly said that the Government should see that excess expenditure does not take place as it invites public criticism. Now a days there is tendency of excess expenditure in Government offices. It is good, if officers visit foreign countries for some genuine work, but the funds should not be misused. Some times they are sent on training. I am again reiterating that there is an acute problem of drinking water in West Bengal. Our friends from opposition talk of Bofors, Thakkar Commission, Fairfax and international politics, but no one pays attention to the problem of drinking water. They have progressive views, but in our State, a bucket of water costs Rs. 10. It is very regretting. They talk of Andaman-Nicobar, Laksha-dweep and other places, but say nothing about the problem in home front.....(Interruptions)..... Tubewells have gone out of order in the villages in our State, which has increased the problem of water.

Some days ago, I staged a demonstration before the Municipality for drinking water. I request you to provide special assistance to West Bengal so that the problem of drinking water can be solved. The same problem is prevailing in Tripura, Bihar, Rajasthan, Orissa and other States also. So, the Government should pay attention to it(Interruptions).....I would like to speak about the power crisis as well. Power crisis exists in many parts of the country but the problem is most acute in my state. Power is not available for 20 hours everyday. This creates short supply of water and consequently, no industrialist likes to set up industries in that State. There are obstructions in the smooth functioning of the Press and in imparting education to the children. Therefore, I would like to request the hon. Minister to make some arrangements in regard to the power stations in my State and I will be very grateful to him for this. The Budget allocations for education have been reduced by Rs. 3 crores whereas allocations should have been increased in view of the serious problem of illiteracy existing in the country. However, the Government have made considerable efforts to remove illiteracy. But there are many villages in the remote areas where there are no facilities provided for the education of women and children. Attention is needed in this direction. The allocations made for education should be enhanced for this purpose. If we are not able to spread literacy and education among the people, our efforts in this regard will cease to have any value. The Government may make effective laws but who is going to understand them? Today, the Central Government is enacting effective legislations but how can the common people living in the rural areas benefit from them when, due to their illiteracy, they cannot understand their implications at all. Therefore, the Government should pay maximum attention towards education.

SHRI AZIZ QURESHI (Satna): Mr. Chairman, Sir, I rise to support the demands for excess grants presented by the Hon. Minister of Finance. In view of the shortage of time, I will express my point of view on some special aspects only. First of all De-

[Sh. Aziz Qureshi]

mand number 18, 19, 20, 21 and 22 are related to the Ministry of Defence. It has been stated just now that some naval ships were deployed in the Andaman and Nicobar islands for ensuring security of the hon. Prime Minister and much expenditure was incurred by the Defence Minister for this purpose. I would like to know whether my hon. Friends in the Opposition criticise merely for the sake of criticism and if the Defence Ministry has to become the victim of such unfair criticism, it is a very unfortunate state of affairs. It is quite natural for the naval ships to remain in the waters; their place is certainly not on the streets of Calcutta. This is very unfortunate. In my opinion, we should be vigilant against such criticisms. Recently, I and some of the hon. Members of this House got the opportunity of being on-board of some naval ships during the occasions of the hon. President's visit to Bombay in connection with their inspection. The progress which the Indian Navy has made and the courage with which it has been fulfilling its duty makes us proud as Indians and as Members of Parliament. While exchanging opinions, I gathered from some responsible officers of the Navy that adequate funds are not being provided for conducting naval exercise. Due to the shortage of funds, they are not able to undertake exercises to the extent that they did earlier. In fact, naval drills are not being conducted these days. On one hand, I want to appreciate the efforts of the brave soldiers of the Indian Navy and on the other, I would like the hon. Minister of Finance to provide full protection to them and make necessary allocation of funds so that naval exercises can be conducted properly.

Similarly, I had the opportunity of observing the gallantry feats of the Air Force pilots on the occasion of the Air Force Day a few days back. We observed as to how our Defence Forces are engaged in safeguarding our borders and in maintaining the security of the country. In this connection, I would like to appreciate their efforts and urge the hon. Minister to provide maximum funds for their welfare.

Now I would like to draw the attention of the hon. Minister towards these Demands in which no provisions have been made for the ex-servicemen. Provisions have been made for pensions but no attention has been paid towards the ex-servicemen. I would like that the Government should pay attention to the proposals made from time to time outside the House and inside about the welfare of the ex-servicemen even after they have dedicated their entire lives for the cause of the nation. I would like that the Government should take maximum possible steps for their improvement and welfare.

Mr. Chairman, Sir, now I would like to draw your attention towards Demand number 74 related to Tourism. I have proposed several times inside the House and outside that there are two such places in my constituency of Satna, namely Chitrakoot and Mehar which can be developed as tourism Centres but to my astonishment neither the Central Government nor the Madhya Pradesh Government have taken any steps in this direction. Chitrakoot is a place of religious interest because according to the Hindu mythology, Lord Ram had lived here during his 14 years of exile and had made preparations for his battle with Ravana. A large number of tourists from within the country and abroad visit this place. Chitrakoot is important not only from the religious point of view but also from the point of view of culture, history and other different angles. However, there is a dispute going on between Uttar Pradesh and Madhya Pradesh in regard to this place. I have proposed that the Central Government should constitute a Development Authority for Chitrakoot, make Central funds available for its development and it should itself supervise the development of the whole region. Only then can it be developed into an attractive tourist spot. The landscape is ideal with hills and rivers and the atmosphere is very peaceful but the Government has not been able to develop it so far. The tourists have to face much difficulties there. I would like the government to pay attention in this direction.

Mr. Chairman, Sir, Mehar is another place in my constituency which should be

developed as a tourist Centre. This place belongs to Mother Sharda. In addition, it is an important place from the point of view of art. It is the birth place of Ustad Allaadin Khan. It is on this account that thousands of people visit this place and cultural festivals are organised every year. I would like that the Government should pay attention towards Mehar as well and take action for its development. I would suggest that the Government should draw up a pilot project for Chitrakoot and Mehar and develop these two places accordingly.

Mr. Chairman, Sir, much discussion has taken place here in regard to power. From the various points of view expressed here, it has become clear that maximum power should be generated by utilising non-conventional sources of energy. Small wind power generators are very popular in Europe and America and it is a major source of power generation in that part of the globe. What steps has the Government taken to protect and encourage the industries engaged in the manufacture of small wind power generators. I would like that the Government should give full support to such industries and should extend maximum assistance for their development.

Similarly, the issue of water resources has been raised here. In this connection, I would like to submit a few points regarding Demand number of 97 and the Ban Sagar Project in Satna. Hundreds of crores have been spent for the rehabilitation of the displaced people of that area but it is unfortunate that even after the passage of 8 to 10 years, neither the dam has been constructed nor have the people been fully rehabilitated. Besides, the Singhpur Power project connected with this dam is located in my constituency and has not been completed so far on account of the objections raised by the Centre. I would like that if Madhya Pradesh Government has not fulfilled certain conditions, the Centre should take strict action and ensure the early completion of the project so that the people of that area could be

benefited to the maximum possible extent.

The Demand number 93 deals with the Department of Public Works. In this connection, I would only like to submit that the Government may allot any amount of funds to this Department but at least the hon. Minister should go personally and observe the miserable condition of the houses allotted to the Members of Parliament which have not been whitewashed for the last 4 years. The minor repair works like that of taps etc. are not undertaken. In spite of the fact that an efficient Minister like her is in charge of the Ministry, such is the condition. As and when we approach the hon. Minister, she listens to the grievances patiently and renders full assistance. Despite this, the condition of the houses allotted to the hon. Members of Parliament is not good and urgent steps need to be taken to provide comfortable accommodation to them.

Sir, I want to submit about demands Nos. 54 and 56 in respect of Andaman and Nicobar Islands and Lakshadweep Islands respectively. For a long time the proposal for developing Andaman and Nicobar islands on the line of Hong-Kong has been in the offing, but a concrete proposal has yet to be put forward. Therefore I request the Government to immediately formulate a plan for the development of Andaman and Nicobar islands, on the line of Hong King free port, provided it is cleared by the Defence Ministry from security point of view.

Sir, I also want to draw the attention of the Government towards poverty, hunger, unemployment and miseries prevalent in Satna. Till date no enterprise in the public sector has been set up there. So I request the Government to set up defence ordinance factories in Satna also, as several defence factories are spread nearby its vicinity so as to ameliorate the condition of poverty stricken area.

With these words, I support the demands for grants being discussed in the House.

*SHRI R. JEEVARATHINAM (Arakonam): Mr. Chairman, Sir, I would like to say a few words in support of the demands for excess grants.

There are many small and large industries in Ranipet in my Arakonam Parliamentary constituency. Thousands of workers are employed in these industries. Due to power shortage, the employers often declare lay-offs and thus rendering the industrial workers unemployed. I, therefore, request the Hon. Minister to set up a thermal power plant in Ranipet to meet power requirements. Every year a large number of industrial workers go unemployed because of this power shortage.

North Arcot district ranks next to thanjavur district in food production in the State. Since adequate power supply is not there, agricultural operations are affected. The cost of foodgrains have also increased. The successive dravidian Governments have failed to take necessary steps to tackle the situation. I therefore, once again request the Hon. Minister to earmark funds for setting up a thermal power station in Ranipet.

There are also tanneries and factories producing leather goods. There are thousands of male and female workers employed in these tanneries and leather good factories. Considerable foreign exchange is earned through this trade. The Govt. must consider the feasibility of purifying the effluents emitted by these tanneries before they could mix with river water and cause pollution. The water so purified must be used for irrigation purposes. A research centre to explore this possibility must be set up in Ranipet.

At present, the sales tax rates vary from State Govt. to State Govt. An uniform and rational sales tax structure must be evolved. I also request that in the larger interest of the Govt. Servants the taxable income tax limit should be increased to Rs. 25000. The demand of Govt. Servants must be accepted.

More power should be given to MPs for

disbursement of IRDP loans. Separate committees consisting of MPs and MLAs under the chairmanship to the District Collector must be constituted for disbursement of IRDP loans. An administrative directive in this regard must be issued to all concerned. In the same way MPs and MLAs should be made members of the committees which are entrusted with the task of disbursing loans under NREP and RLEGP programmes.

The interest rates charged for commissioning industries on loans by banks must be reduced. The interest rates payable on fixed deposits must be increased. A comprehensive insurance scheme covering the village poor must be evolved. At present, there is dearth of personnel in LIC and other banking institutions leading to slow work in these institutions. More number of people must be recruited to cope with the situation. Employment opportunism for men and women in the villages must be increased. LIC branches must be established in village and district levels. In every district headquarter, there should necessarily be branch of all nationalised banks. Import export restrictions should be liberalised. For constructing houses, no income-tax should be charged upto Rs. 50000 of the investment. Rs. 50000 is not a big amount today. private individuals must be exempted from paying income-tax on amounts invested in House building upto Rs. 50000 to encourage Housing schemes.

DR. DATTA SAMANT (Bombay South Central): Coming to these Demands for Excess Grants, five or six items are about Defence Services like the Navy, Armed Forces, etc. During the last two years the expenditure on Defence has gone up so much that now Rs. 13,000 to Rs. 14,000 crore is the expenditure on Defence. And in the name of Defence, whatever questions we ask, they are never replied.

In the last one year and more about Rs. 1500 crore are spent only due to Sri Lanka and due to the Accord, for sending our armed Forces, numbering about one lakh of them by steamers or through the ships of the Navy. About 800 Indian soldiers have been

*Translation of the speech originally delivered in Tamil.

killed so far. I do not think that even during the Chinese aggression or the Indo-Pakistan conflicts so many people were killed. I do not know what the whole idea is. It is a foolish step, as far as our Defence is concerned. You are fighting their battle. Now, Mr. Premadasa is having talks with the LTTE and one of the conditions is that Indian Forces must be withdrawn and the Government of India has got nothing to do with it. During the last tow months itself more than 20 soldiers have been killed and the Sri Lankan Government are just enjoying and celebrating their Presidency. I do not think what you are doing in Sri Lanka is for the good of the country. For the sake of the prestige of our Prime Minister our Indian soldiers are being killed there. Therefore, it is high time that we withdraw the 50,000 Indian soldiers who are there. This has resulted in the additional expenditure without any reason whatsoever and even politically you have not achieved anything. Only thing is in the Tamil Nadu election there were set backs.

Now, the whole Defence policy is wrong. Even Nepal have turned their guns towards us now. Even with Pakistan, though the talks have been going on about the extent of territory occupied etc., on the contrary they are also giving some trouble to us. The whole defence policy is a major failure.

Coming to the next item about export, production and all these things, I do not know what you are doing on the exports front. You are giving all the concessions to the big industrial houses of this country. For the last four years this has been going on like that. I do not know whether the Government will give them whatever the balance is there also. In return you are not getting anything. Now 1,60,000 industries are sick. Still you are giving them concessions and they are swallowing them. Rs. 1500 crores due from the industrial magnates are wiped off. Further, you are giving them Rs. 600 crores or Rs. 750 crore more as modernisation fund as it happened in the last four years. You are giving lot of concessions in income-tax also to them. In the House we see some papers, about the excess duty concessions also.

Whatever the concessions given to the industrial house, in return this Government is not getting anything. I am Putting a categorical question to this Government. What are the returns you are getting for the concessions that are being given to the big industrial houses. Even on the exports side in 1986-87 out of a total export of Rs. 20,000 crore the big houses have exported only Rs. 900 crores worth of goods. Even prawns worth Rs. 300 crore and the big houses have not exported even double that amount. They are only swallowing the concessions without the Government getting any returns.

Even the Birla house have not exported Rs. 300 or Rs. 400 crore worth of goods. Garewal, Kirloskar and such other big houses also are like that. They are only given the concessions without any return. I request the Government to give us the figures in this House. In spite of giving all loans and concessions the corporate sector people are not paying the taxes and so, what is the return that is coming to the country? All the big industrial houses of the country are earning profits and they are merely exploiting the whole economy. The return from the big industrial houses being nil, even the employment potential of those houses has gone up by only two per cent. Why should they be given all the concessions? I may be a trade union leader and I may be against them.

17.00 hrs.

But in the form of national development, in the form of employment, in the form of export, in the form of resources and in the form of Income-tax, what are their contributions? With all your concessions, they are making black money. You are still encouraging them. That is so far as export is concerned.

Now I will come to Department of Scientific and Industrial Research. What industrial research the Government is doing? Let us know the developments you have made in regard to industrial research. I think it is a failure of the Government there.

[Dr. Datta Samant]

Next I come to fruit processing industry. For packing and processing of fruit, you require Pepsicola, Coca Cola, etc. About thirteen multi-nationals were given import licences to do such business in the country. All the steps taken by the Government in this direction are against the national policy.

In regard to tourism, Maharashtra State is very much neglected. I had given a very good suggestion that the Sindu Durga Port at the western coast should be made as one of the tourist centres in the country. This port is in the sea. It was Shivaji's contribution. I think this port should be made as one of the tourist centres in this country.

Now I will take up textile policy of the Government. Thousands of workers were thrown out in Gujarat. I do not know what the Government is doing. You are giving concessions only to the big mills like Reliance, Century, Mafatlal, Morarji, Standard. Only ten to fifteen big mills are allowed to prosper. Further, there is retrenchment in new looms. Last year, seven hundred crores of rupees worth concessions were given to polyster, fibre and filament. Are they passed on to the consumers? They have not been passed on to the consumers. The Reliance Group has swallowed the money.

Sir, there are about 125 NTC mills in the country. As per the Textile Policy, the Government has not given even fifteen to twenty crores of rupees in the last four years to the NTC mills. The employers of these mills made them sick and the mills are having outstanding loans. You are not interested in modernising them. This year you have made a provision of about Rs. 90 crores to give terminal dues to the Government mills. Therefore, it is the policy of this Government to close down the NTC mills, and to allow only ten to fifteen big houses of the textile mills to prosper. It is so shocking and pitiable to see the way in which this Government is moving. And the time has come. You have to

change the textile policy basically. Otherwise, it will create chaos in the country.

The Maharashtra Government had already sent a proposal relating to formation of the Development Board in Vidharba, Marathwada and Konkan. The Government has already said that they were prepared for it. And the other day, they informed that the matter has been referred to the Governor. I do not know when it will be approved. There is no financial liability. I once again appeal to the Government to encourage the backward areas of Maharashtra. Already the Maharashtra Government has passed a unanimous resolution in this regard. Accordingly, I request you to give your immediate sanction.

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): Mr. Chairman, Sir, out of fourteen Members who have participated in this discussion, twelve have traversed in a very extraneous field and two have traversed on the relevance of excess demands for grants. I was hoping that Mr. Thampan Thomas, who is a brilliant advocate, would speak something relevant, but there also I was greatly dismayed.

Sir, it is true and it would be an ideal situation if we were never to come here for regularising the excess expenditure by way of excess demands for grants. But it does happen. And therefore, the mechanism which is evolve in this is that all the excess expenditure is being scrutinised by the Public Accounts Committee and thereafter it is recommended to the House for regularisation and for approval.

17.05 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

I very well appreciate the point raised by Mr. Banatwalla that budget controlling mechanism must be followed and it must work more effectively so that the spending spree could be contained and the rush of

expenditure in the last lap of the year could be contained. For this purpose, the Government is very much aware of the recommendations made by the PAC. They are under examination and under process of implementation. Government has initiated certain action and Government has also taken certain measures in the current year for control of the expenditure. We are adopting a system of quarterly and monthly budget and regular monitoring of expenditure. It is expected that these measures will bring about control on the expenditure and even the flow of expenditure over the year would be contained.

I would like to inform the House that Ministries have been clearly told that the spending officer will be held personally responsible if he incurs more expenditure than the allotment made to him through Budget as well as through Supplementary Demands for Grants. There may be, in some case; justified reasons that an excess expenditure has to be incurred and later on it is regularised. I admit that there is always scope for improvement.

Regarding the point that some of the expenditure could have been visualised at the time of formation of the Budget or at the time of Supplementary Demands, it is easy to say rather than to do. I would refer to Mr. Banatwalla's criticism why there was larger drawal by USSR and Czechoslovakia from the credit facilities provided to them, I would like to put it on record that the original provision of Rs. 60 crores for the purpose was augmented by taking a Supplementary grant of Rs. 235 crores making a total of Rs. 295 crores. However, the actual drawals finally amounted to Rs. 319 crores. Therefore, it has resulted into an excess of Rs. 24 crores made under that head. Therefore, it is not that particular expenditure under a particular head has not been visualised. But sometimes, it does happen that a little more excess is there. For example, he criticised that the Defence Ministry accelerated the completion of certain projects. It was good from the point of view of cost escalation and early completion. Sometimes, it so happens that

the project is meant to be completed within two or three years. Therefore, the amount allotted for each year is a part of the total estimates for that project. If the project is completed earlier, then the amount is spent a little earlier. Then it would be in the excess of the allotted amount. This should not be viewed in a manner in which Mr. Banatwalla has sought it to be viewed. But I do not find fault with him. Many of the hon. Members who have criticised, have, perhaps, not gone through the book that we have circulated giving reasons for excess expenditure under each of the heads.

Mr. Thampan Thomas drew all sorts of inferences about Andaman and Nicobar and expenditure on Navy.

He should at least devote a little time to study what the Navy has spent on it.

AN HON. MEMBER: It is only politicking.

SHRI B.K. GADHVI: Politicking of this nature is also not good. It is not politicking, it is mud-slinging. Now, Sir, the excess over the voted Grants was mainly attributable to the large expenditure on Naval Stores, Aircraft, due to the variation in the exchange rates, POL, that is, petroleum, oil and lubricants, to meet the operational needs, and the maintenance works. Where is the question of prime Minister's visit to the Island and spending over it? We have got a separate head for the Council of Ministers' expenses and from that everything is being met. Therefore, to speak in this fashion—it has almost become a fashion today to pick up a very cheap thread and then try to project it—is not a good thing. At least in the area of economics, in the area of finance, being a senior Member, you are supposed to be more relevant, you are supposed to be more knowledgeable, you are supposed to be more studious. Just to go on hurling the accusations is not a proper approach.

Mr. Amal Datta has also criticised—I know he has now come. He was the Chairman of the PAC which has recommended

[Sh. B. K. Gadhvi]

this regularisation. Again for his benefit I would reiterate and repeat that the recommendations of the PAC are very much having the attention of the Government and, as I stated earlier, we have evolved certain systems of monitoring the rush of expenditure, of monitoring the profess of the expenditure. Monthly budgeting and quarterly budgeting system we are trying to adopt. Also we have made it a point with all the Ministries that if any officer incurs excess expenditure, over the allotted funds, then he would be personally responsible to explain it. That system we have introduced this year and you must appreciate that your recommendations in this way have received due attention by the Government. After all, it was your duty to draw the attention of the Government. When the PAC examines the whole thing, they go through the accounts, they find out what are the facts, they find out what are the justification, and thereafter they regularise. In that process, even all the Ministries cooperate with the PAC, even the C&AG also cooperates with the Ministries and, therefore, they place the whole thing before the PAC and after PAC's recommendations, this thing comes before the House.(Interruptions)

SHRI AMAL DATTA (Diamond Harbour): Mr. Gadhvi, one thing will you make clear to me? Regarding the power of reappropriation, which appears to be unlimited today, is your Ministry taking any step?

SHRI B.K. GADHVI: I would like to say that there is one Major Head and then there are sub-heads. So far as reappropriation also is concerned, we are trying to monitor it and we are trying to see that because of some mechanism they just do not divert the funds and use it for the purposes for which originally they were not meant. But you cannot draw a very water-tight line between them. Sometimes a contingency may arise or a demand may be justifiable or there may be saving in some case. Then, perhaps with a view to facilitate the Ministry and to contain the Supplementary Demands, we may ask

them that they can go in for reappropriation on that account.

SHRI AMAL DATTA: It will not come to you. What we have objected to is that they do not come to the Finance Ministry, the Ministries themselves do it.

SHRI B. K. GADHVI: That is why I say that now we have started monitoring that aspect also. Monthly budgeting and quarterly budgeting system we are trying to adopt, by which we will be seeing the overall performance and the spending trend of the various Ministries under various Heads. So, that we are doing.

Then, Sir, although from the figure it would appear that this is too high, but as compared to the total Budget of the Government of India, it is only 0.1 per cent of the total expenditure of that year, that is, 1986-87. Therefore, to say that this is a very gross excess expenditure is not a proper criticism.

Then, Sir, there are some other points which the hon. Members have raised. Mr. Amal Datta raised the point about the textile policy and industrial sickness. There was a point with regard to non-performance on export front by big houses. North Bihar and so many other things have also been taken up by the Members.

I don't think they have got much relevance with this Bill which I have brought before this House. But still I would assure them that I would cull out the points made by the hon. Members from the proceedings and pass them on to the various Ministries for attendance. With these words, I commend the Demands for Excess Grants to the vote of the House.

MR. DEPUTY - SPEAKER: I shall now put the Demands for Excess Grants (General) for 1986-87 to vote. The question is:

"That the respective excess sums not exceeding the amounts shown in the third column of the Order Paper be granted to the President out of the

Consolidated Fund of India to make good the excess on the respective grants during the year ended 31st day of March, 1987, in respect of the following demands entered in the second column thereof:

Demand Nos. 11, 18, 19, 20, 21, 22, 54, 56, 56A, 74, 83, 93 and 97."

The motion was adopted

17.16 hrs.

APPROPRIATION (NO. 3) BILL*, 1989

[English]

MR. DEPUTY-SPEAKER: Now, we shall take up the Appropriation (No. 3) Bill.

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): I beg to move for leave to introduce a Bill to provide for the authorisation of appropriation of moneys out of the consolidated Fund of India to meet the amounts spent on certain services during the financial year ended on the 31st day of March, 1987, in excess of the amounts granted for those services and for that year.

MR. DEPUTY - SPEAKER. The question is:

"That leave be granted to introduce a Bill to provide for the authorisation of appropriation of moneys out of the Consolidated Fund of India to meet the amounts spent on certain services during the financial year ended on the 31st day of March, 1987, in excess of the amounts granted for those services and for that year."

The motion was adopted

SHRI. B.K. GADHVI: I introduce the** Bill.

SHRI. B. K. GADHVI: I beg to move***

"That the Bill to provide for the authorisation of appropriation of moneys out of the Consolidated Fund of India to meet the amounts spent on certain services during the financial year ended on the 31st, day of March, 1987, in excess of the amounts granted for those services and for that year, be taken into consideration."

MR. DEPUTY-SPEAKER: The question is:

"That the Bill to provide for the authorisation of appropriation of moneys out of the Consolidated Fund of India to meet the amounts spent on certain services during the financial year ended on the 31st day of March, 1987, in excess of the amounts granted for those services and for that year, be taken into consideration."

The motion was adopted

MR. DEPUTY-SPEAKER: We now take up Clause by Clause consideration of the Bill.

The question is :

"That Clauses 2 and 3 and Schedule stand part of the Bill."

The motion was adopted

Clauses 2 and 3 and Schedule were added to the Bill.

MR. DEPUTY SPEAKER: The questions is

"That clause of Enacting Formula and the Long Title stand part of the Bill.

*Published in Gazette of India. Extraordinary, Part II, Section 2, dated 16.5.89

**Introduced with the recommendation of the President.

***Moved with the recommendation of the President.