

[Mr. Deputy Speaker]

"That this House do further extend upto the last day of the Monsoon Session, 1987, the time for presentation of the Report of the Joint Committee on the Bill to provide for the appointment of a Lokpal to inquire into allegations of corruption against Union Ministers and for matters connected therewith".

The motion was adopted.

GOA, DAMAN, AND DIU MINING
CONCESSIONS (ABOLITION AND
DECLARATION AS MINING LEASES)
BILL

[English]

THE MINISTER OF ENERGY AND THE MINISTER OF STEEL AND MINES (SHRI VASANT SATHE): I beg to move for leave to introduce a Bill to provide for the abolition of the mining concessions in operation in the Union Territory of Goa, Daman and Diu and specified in the First and Second Schedules, and for the declaration of such mining concessions as mining leases under the Mines and Minerals (Regulation and Development) Act, 1957, with a view to the regulation of the mines to which such concessions relate and for the development of minerals under the control of the Union and for matters connected therewith or incidental thereto.

MR. DEPUTY SPEAKER: The question is:

"That leave be granted to introduce a Bill to provide for the abolition of the mining concessions in operation in the Union Territory of Goa, Daman and Diu and specified in the First and Second Schedules, and for the declaration of such mining concessions

as mining leases under the Mines and Minerals (Regulation and Development) Act, 1957, with a view to the regulation of the mines to which such concessions relate and for the development of minerals under the control of the Union and for matters connected therewith or incidental thereto".

The motion was adopted.

SHRI VASANT SATHE: Sir I introduce the Bill.

12.31 hrs.

FINANCE BILL, 1987-Contd.

[English]

MR. DEPUTY SPEAKER: The House will now take up further consideration of the motion moved by Shri Rajiv Gandhi on the 29th April, 1987. Shri Sriballavpanigrahi to continue.

SHRI SRIBALLAV PANIGRAHI (Deogarh): Yesterday towards the end of the day I had started speaking and welcomed the Finance Bill, 1987.

As you know, we are now considering the Finance Bill at the third stage of the Budget - the first stage being the general discussion of the Budget on its different aspects and the second stage being the guillotining and adoption of the Appropriation Bill that we did the day before yesterday. Now we are at the third stage to give the final approval of the supreme body, the Lok Sabha, to the Annual Budget 1987-88 in its entirety. The Finance Bill is the outcome or the by product of the Budget.

Sir, as you know the whole country - barring a few people here and there and that too on political grounds - have welcomed this year's budget presented by the hon. Prime Minister. The budget has received wide appreciation. It was highly acclaimed as there was no tax proposal worth the

name and whatever the irritants — if there were any irritants in the budget — those things also were removed yesterday by the modifications brought by the hon. Prime Minister who is also holding the Finance portfolio. The relaxations and reliefs he has given have far-reaching consequences. They will certainly encourage the growth of small scale industries and they are welcomed.

There are many welcome features in this year's budget and also in the modifications announced by the Prime Minister yesterday whereby he has given some concessions. Indian economy is certainly on the growth path. I wonder how and what prompted some of our Opposition Members to criticise the budget or to say that Indian economy is not moving in the right direction. (*Interruptions*)

Some people sitting in Bangalore have said so many things. It is a matter of shame that some people who just do not like to look at it correctly—I think they are suffering from jaundice - sitting in their executive committee meeting have attacked this Government saying that the leadership is ruining the Indian economy. Where is the evidence of any ruination of Indian economy? It is moving in the right direction and on a galloping speed. We have achieved something which we should feel proud of in the GNP and the economic growth sector. The industrial growth has recorded an increase of more than 8 per cent. The World Bank has also clearly come out paying tributes to the Government of India for managing the economy so well. They have said our economic growth is number one at least among the developing countries. What more certificate they would like to have to put their reliance on?

This year's budget has rightly placed its emphasis on Defence, Housing, eradication of Poverty and Education. The security environment of the country and also the situation in South Asia has deteriorated during the period and that is causing concern. In spite of the protests from India the Reagan Administration has finally granted

this supply of large-scale sophisticated modern arms including AWACS to our neighbour. So rightly Rs. 12,000 crores have been allotted in this year's budget for Defence. As regards housing it is a very knotty problem and even after 40 years of Independence crores of people in India are without houses and housesites. Naturally this budget gives a boost to the housing programme inasmuch as there is a new scheme. The Government wants to give encouragement to the housing sector.

Regarding eradication of poverty, what is the philosophy of our Indian economy and the Government? It is naturally the growth together with social justice. We have to have growth at a faster pace. We should not remain contented with the rate of growth that we have achieved but it has to be made faster. We have to speed up our economic development further. At the same time, we have to ensure that the outcome of our planning and economic development also percolates to the lower levels, to the people who are below the poverty line. If their number increases, it will be quite disturbing to the Government and to the entire body-politic of our country. So, eradication of poverty, housing, defence and education are all important sectors

There has been a fantastic increase in the allocation for education. It is welcome. It was Rs. 356 crores earlier. Now it is more than double—Rs. 800 crores. Rightly it has been done so because after all the integrated development of personality of the child, student and men and women is very important. We have to face the challenges which the country will be facing in the days and years to come and more so in the 21st century where we would like to enter with a determined bid to take a leading place in the whole world.

I would like to make some observations also about the Finance Bill. Sir, housing has been given a fillip. I welcome the deletion of 194-E—new provision—which should have created more complications.

I would like to refer to clause 32, sub-

[Shri Sriballav Panigrahi]

clause (ii) of the Finance Bill that refers to proposed amendment bill under section 80-C of the Income-tax Act. It has been provided in this provision that any instalment or part payment of the amount due or repayment of the amount borrowed from the Bank, Central Government of LIC will be eligible for deduction. But this provision does not appear to be a special deduction because this is linked with the total payment of Rs. 40,000 as contemplated under section 80-C of the Income-tax Act. But it will not give a separate boost or incentive for house construction. This is a serious matter. I would like to bring it to the notice of the hon'ble Minister and he should apply his mind to this. Within that Rs. 40,000 total limit, this has been adjusted. This provision has been raised to Rs. 10,000. They should make a separate provision altogether so that the housing programme gets a further boost-up

Then, there was a demand from different quarters also. During the last year, we have revised the pay-scales and wages of government servants, salaried group, etc. If the present Income-tax limit of Rs. 18,000 is not revised upward to Rs. 25,000 naturally this will neutralise the wages, salary, etc. in the process. The benefit that we intend to give to the salaried classes will not be there.

Sir, the other day I had raised a question about the financial year. I would like to urge upon the Government that ours is an agricultural economy. It should coincide with the monsoon time. There is no field work, earth work, etc., during the monsoons. Naturally, without earth work, development work, we cannot proceed further. Naturally, the financial year should commence from 1st July and end on 30th June instead of the present practice of starting it on 1st April and ending it on 31st March so that in real terms we are able to get three-four months extra time for development work in the field. A lot of time is consumed in the completion of formalities

after approval of Budget etc. These formalities can be completed during Monsoon so that the work can start in full swing after the Monsoon from October till June next year. This is a suggestion for consideration of the Government.

There is a big deficit in our Budget, more than Rs. 5000 crores. Government will be losing another Rs. 70 crores by the concessions announced by the Prime Minister yesterday. To that extent, the deficit will get increased. The total deficit as cleared by the Planning Commission during the 7th Plan is Rs. 14000 crores, but during the first three years of the 7th Plan, I think, we have already gone to Rs. 18000 crores of deficit. That includes this year also. If this speed goes on and this rate continues unabated, I am afraid, it will exceed Rs. 30000 crores by the end of the 7th Plan. Naturally, our economy needs to be managed properly and wasteful expenditure curtailed drastically.

The administrative expenditure accounts for thirty-nine per cent of our Budget. It was admitted by Pandit Jawaharlal Nehru that administrative reforms and educational reforms should have the first priority. Anyway, education is getting better attention, but what about the administrative setup. The present setup needs to be overhauled and needs to be vigorously changed and reorganized with accountability fixed on the bureaucrats. That needs to be tightened up.

Then, the public sector is at the commanding heights of our economy. We should see that it functions properly. What I mean to say is that a new work culture is warranted is called for, so that crores of rupees, the poor man's money, invested in the public sector becomes effective. It is high time that the high cost economy, high cost production, is brought down to a reasonable level. This calls for revolutionary changes in the working of the public sector etc.

Then, about the capacity utilization. At

present, it is 78 per cent in the industrial sector. There is a lot of scope for improvement.

There is another disturbing point. While we talk of public sector, what about the private sector? Industrialists are expanding their industrial empires with our money, with the bank money. Should they not be accountable to the people and the Parliament? It is poor man's money. Their accounts should be properly audited and placed before the Parliament. What for are we becoming so much liberal to these people who are attacking our economy?

Then, the crusade against black money and black-marketeers should go on unabated. We should intensify our attack against black money and deposits by Indians in foreign banks. The black marketeers are running a parallel economy in our country. The IMF has said that about Rs. 1300 crores has been deposited by Indians in Swiss banks and elsewhere. On the other hand we are paying interest at the rate of 5 crores daily on loans. So, naturally we have to mop up this black money and we have to raise our voice and we should continue our crusade against black marketeers. We have to tighten our economy.

Now, about agriculture, as I said earlier, today the situation is such that the people living in villages feel as if they are second class citizens. We have to look into their problems.

With these words I support the Finance Bill and I have every hope and every expectation that with the sincere efforts of Government of India all the loopholes will be plugged. I would request the hon. Finance Minister to kindly give thought to some of the suggestions that I have given. With these words, I support the Finance Bill. Thank you, Sir.

[*Translation*]

SHRI KAMLA PRASAD SINGH (Jaunpur): Mr Deputy Speaker, Sir, I support

the proposed Financial Bill. The concessions granted in the customs duty and excise duty will benefit the common people and every section of the consumers in a definite manner. The small industries will also be benefited and get encouragement. I want to request and all my colleagues have also said the same thing that the exemption limit for income tax should be raised from Rs. 18,000/- to Rs. 25,000/- It will benefit the people in a definite way. The subsidy given for fertiliser is not adequate and it should be increased so that the farmers could benefit from it and they could buy cheaper fertilisers. I have stated several times in this House and I want to repeat it again today that the districts of Jaunpur, Azamgarh, Ballia and Ghazipur in Eastern Uttar Pradesh are backward areas and many people are living below the poverty line. A Board should be constituted for the upliftment of these areas. Funds should be allocated not on the basis of the norms fixed by the Planning Commission, but by moving away from them so that the districts of Jaunpur, Azamgarh, Ballia and Ghazipur could be developed. Jaunpur is a backward district and there is not a single industry in that area, which could provide employment to the educated unemployed youths.

[*Interruptions*]

SHRI RAJ KUMAR RAI: Mr. Deputy Speaker, Sir, hon. Shri Kamla Prasad Singh is speaking in the House, but on the television set kept outside, the name of hon. Shri Jagdish Awasthi is being shown. Kindly get the mistake rectified.

[*English*]

MR. DEPUTY SPEAKER: Let us add the name of Shri Kamla Prasad Singh also.

[*Translation*]

SHRI KAMLA PRASAD SINGH: The hon. Minister is sitting here and he is well aware of the problems of our region. Heavy industries should be set up in our region

[Shri Kamla Parsad Singh]

so that the unemployed youth who run from pillar to post in search of jobs may be able to get a source of livelihood. I would also like to say that there is an acute shortage of drinking water in our area during the current summer season. In my constituency, Madiyaun tahsil of Jaunpur district is experiencing acute shortage of drinking water. Wells get dried up during summer. Water is not available in them and if it is available, it is not fit for drinking purposes. A programme to install handpump, to provide water is being launched in our area, but I would like to say that the number of handpumps that are being installed is not adequate. I would request that handpumps should be installed on the basis of population so that drinking water is made available to all the people. The responsibility of providing clean drinking water to all the people rests with our Government and it should be provided in every village. Our State Government has stopped construction of overhead water tanks of late. I would request that the construction of those tanks should be resumed. At present the cost of installing a handpump comes to Rs. 10,000 to Rs. 11,000, but water is not available from such handpumps to the desired quantity. Therefore I would request the Central Government to solve the problem of drinking water on a priority basis.

We will have to coordinate the rural development programmes in order to ensure increase in the productivity and employment opportunities in rural areas. The programme meant for improving the economic condition of unemployed persons through advancing loans by banks under Self-Employment Scheme is not yielding desired results due to lack of coordination between the department of Industries and Banks. The Government should take this situation seriously and some concrete steps should be taken by the Government in this regard. There is a proposal to install tubewells in our area with the assist-

ance of the World Bank. Besides this, it is essential to provide seeds and fertilisers to the farmers. It is unfortunate that due to the laxity of the officers, neither tubewells are being installed properly nor other facilities are being provided to the farmers. We should implement these programmes urgently so that the farmers are benefited and the production is increased.

Sir, whenever natural calamities befall any State, the Central Government provides the assistance there and relief materials are distributed there. Natural calamities include floods, drought, cyclone, hailstorms etc. Persons affected by these calamities get assistance also from the Government. So far as Jaunpur is concerned, there is a danger of floods every year, because the Gomti river flows near that place. That area is ravaged by floods after every two to three years. Where on the one hand property and crops worth crores of rupees are damaged due to the floods, on the other, the Government has to distribute foodgrains and other relief materials to provide relief to the people. I had already raised this matter and I would like to repeat that a scheme for constructing a pucca embankment in my district has been pending with the Planning Commission for quite a long time. Sanction has not yet been granted to it. I had raised this matter in this House through a question and the hon. Minister had given this information in reply to it. If approval is granted to that scheme of Rs. 22 crores and an embankment is constructed there, we will get protection from the floods for ever and the Government will not have to spend funds that they spend on providing relief materials every year.

There is a private sugar mill in Shahganj in my constituency. It is lying closed for some time. As is well known, sugarcane is grown on large scale in Shahganj, but for the last many years the farmers are facing a number of problems connected with sugarcane. Their condition is going from bad to worse. Due to the closure of the mill, their sugarcane is withering in the fields.

Besides this, that mill owes as much as Rs. 80 to Rs. 85 lakhs to the farmers. The mill also owes a large sum to the workers there. In the absence of any mill there, the farmers are not able to supply their sugarcane to any mill and their problems are increasing. Earlier they used to sell sugarcane to meet the requirements arising out of marriages etc., but now in the absence of any other mill, they are not able to do this thing. Land is available there, and therefore, a new sugar mill should be set up there.

Sir, undoubtedly, the programmes undertaken under I.R.D.P., N.R.E.P., R.L.E.G.P. are helping in the removal of poverty and the work on the National Development Programme is definitely gaining momentum. I would also like to say that we are not getting the benefit out of the funds being allocated through plans for development works. Development works like roads, bridges and culverts being undertaken under the National Rural Employment Programme are not upto the standard. There are schemes where works could not be carried out through contract system. At present, a number of works are being undertaken through contract system. There are cases where work on roads has not been sanctioned, but the contractor starts work on the road. He uses such a poor material in the construction of culverts that they get collapsed in rains and the cement plastered on it is washed away. This should be looked into. In this way, funds are being spent recklessly. The people must get benefit of the funds which are spent. No section of the people should remain deprived of the benefits accruing from the kind of development work that is being undertaken under the leadership of the Prime Minister. Every person is getting benefits from the schemes being undertaken under the 20 Points Programme. Harijans and the poor are being benefited from this programme. The officers and the people's representatives should come forward to implement these programmes in a proper way. We see to it as to which programme should be implemented in such a way that it gives benefits to the people.

Removal of poverty is the first point of the 20 Points Programme. A new scheme is being undertaken under it. A large number of persons have been brought above the poverty line. No body could have imagined that the development works in the country would benefit such a large number of people. Today every field is getting water and every hut and house is getting electricity. The 20 Points Programme has been formulated for the backward people and we should see that they get due benefits from it. I would also like to say that majority of works are undertaken with the help of maximum funds allocated through the Centre.

13.00 hrs.

The Members of Parliament should be involved in these programmes. The district officer presides over the meeting of DRDA. Sir, if the job of presiding over the meeting is given to the Members of Parliament, they will have powers to monitor those schemes and then those schemes will definitely be implemented. Thus the Members of Parliament may also see as to why the benefits of the programme are not reaching the poor. I hope you will involve Members of Parliament in the programmes so that they may take active part in the implementation of these development programmes so that they take them to the people.

I hope you will pay attention to the problems of our area, which I have brought to your notice and implement these programmes in our region. I again whole heartedly congratulate the Hon. Prime Minister for bringing such a Finance Bill. The concessions of Rs. 70 crores in the taxes granted through the Finance Bill will definitely benefit the people.

With these words, I once again support the Finance Bill.

[English]

THE MINISTER OF STATE IN THE
MINISTRY OF PARLIAMENTARY

AFFAIRS (SHRIMATI SHEILA DIKSHIT):
Sir, I propose that we forego the lunch recess.

MR. DEPUTY SPEAKER: I hope the House will accept that.

SEVERAL HON. MEMBERS: Yes.

MR. DEPUTY SPEAKER: Now Mr. K.P. Singh Deo.

SHRI K.P. SINGH DEO (Dhenkanal):
Sir, I rise to support the Finance Bill. The Finance Bill is the sword arm which gives effect to the Government's financial proposals as presented in the Budget proposals. The Budget proposals have been presented to Parliament after due thought and consideration, and having taken stock of the situation which has been enumerated in the Economic Survey.

The Economic Survey has also brought out that the rate of growth has been more than 5% over the last three years, 8% as far as industrial growth and 17% as far as agricultural growth are concerned. It is in a buoyant stage. The Budget highlights have been commended by various people. Included amongst them are even the traditional critics of this Government. Some of the comments have been such as higher imposts on the affluent sections of the people, larger funds for rural development, emphasis on the public sector, protection to the domestic capital goods sector, and a pledge to curb deficit financing. These are the highlights of the Central Budget, 1987-88.

The Central Plan outlay for 1987-88 has been hiked by 4.22%, i.e. Rs. 24,622 crores. The Budget provides for the Central Plan outlay, of Rs. 22,300 crores and estimated to be Rs. 23,625 crores. This in real terms, will amount to an increase of Rs. 997 crores in relation to last year's Budget. The reliance on resources of public enterprises, including Bonds will increase from 37.38% in the revised estimates to 39.39%, whereas the overall budgetary support for

the Central Plan comes down from 62.61% to 60.66%. So, the achievement of physical targets has been given a very important role. In fact, it is far more important than just spending the money. This is the change in ethos which was really needed, and the Government has given it. Therefore, a very high priority has been given to implementation of projects in time, avoidance of time and cost over-run in projects, and the use of innovative methods and new technologies.

The highlights of the Central Plan include doubling of outlay on Education to Rs. 800 crores, a massive provision for rural development programmes, increased allocation for information and broadcasting, transport, and continuing emphasis on welfare projects and the fields of science, technology and environment.

I need not go into all the figures in this, but I would only like to highlight that as far as the rural development is concerned, this has been given an outlay of Rs. 2000 crores as compared to the entire 6th Plan expenditure of Rs. 3,600 crores. In one year, we are going to make an allocation of Rs. 2000 crores only on rural development; and this has been earmarked for the national rural employment programme in order to generate 273 million man days for employment next year.

The massive increase from Rs. 352 crores to Rs. 800 crores in the outlay on education is not only aimed at providing a good start to the government's new educational policy but also aimed at making a total attack on illiteracy and providing a scope for employment and opportunities to the people of this country.

Infrastructural sectors such as transport, communications and energy which are parameters of any country's progress, in fact, it is *de facto* and *de jure* Berometer of the economic progress. This has been hiked by 54 per cent of the total central plan in 1987-88. And the largest component is the defence which comes to Rs.

12,5000 crores and the interest payment accounts for Rs. 10,650 crores. Apart from this is the commission on rural labour. It is high time that the unorganised labour, its problems and its tribulations are taken an indepth look and arrangement done for them and provision made for them.

Then the revised estimate for food and fertiliser subsidy is of the order of Rs.3,700 crores. There have been certain improvements in reducing the infructuous expenditure both in food and fertiliser sector.

I would like to quote Shri NA Palkhivala, who has been a known critic of the government's policies and specially on the Union Budget for 1987-88. This is what he has to say:

"In order to get a proper perspective, it is necessary to cast a glance at Prime Minister Rajiv Gandhi's impact on the fiscal jurisprudence of India. When the history of our times comes to be written, in the chapter on fiscal legislation two events will be regarded as towering achievements—Prime Minister Rajiv Gandhi's fiscal reform in 1985 and President Reagan's in 1980. Both these leaders wrought fundamental change. Our Prime Minister's achievement was greater—having regard to the environment in which he had to operate.

The Budget of 1985 was a silent, unheralded revolution in fiscal thinking. It began the monumental task of redesigning India for the 21st century which is less than 5,000 days away."

Then he enumerates 7 objectives of the Prime Minister, which, in his opinion, Mr. Palkhivala's opinion are as follows. I think all of us may not agree with his political philosophy, but we do think that he is an eminent person in the field of finance and budget.

The 7 objectives are as follows:

- (i) Reasonably low rates of taxation;
- (ii) Simplification and rationalisation;
- (iii) Stability in rates and fiscal structure;
- (iv) No unnecessary secrecy about budget provisions;
- (vi) Idealism involving trust in the taxpayer instead of suspicion,
- (vii) Educating tax gatherers in human awareness. In the computer world, the expression "user-friendliness" means the designing of a computer with the needs and convenience of the user in mind. The objective of our present Government has been to develop assessee-friendliness,— i.e. tax laws should be framed with the needs and convenience of taxpayers in mind."

The main crux of the matter is the implementation of the projects and the aims and objectives which so far have been left to themselves. Just making a certain allocation has been the order of the day. And rightly this Budget and the Finance Bill aim at taking a deeper look at the implementation, and I hope that there will be stricter monitoring at all levels.

First, I come to the public sector on which the commanding heights of the economy and emphasis—not only the emphasis but it is the re-commitment and reiterating commitment to the public sector—has been made.

And it is only two days back, that there was an international seminar on *Sickness in Public Sector Undertakings and the Role*

[Shri K.P. Singh Deo]

of Management. The hon. Prime Minister was to inaugurate it but due to pressing pressure of work, he could not go and it was inaugurated by the hon. Minister of Energy, Mr. Vasant Sathe, in which he divided it into four main categories: One is the accountability, continuity participation and the question of efficiency and re-generation of resources. The Public Sector Undertakings have been set up with a particular socio-economic and social political aim and objectives. If the public sector undertakings do not show efficiency, quality as well as re-generate their own revenues, and also re-generate and plough back into the economy, then it affects the very people whom they have to serve, that is the common man.

The Prime Minister in an earlier conference on Productivity had this to say that ultimately the buck stop at the common man. Because, for the inefficiency for the sickness it is the common man who has to pay in the form of diversion from the plans or programmes meant for the weaker sections of the society and it will go into correcting the maladies sickness of the public sector.

While on public sector, according to the 1981 Industrial Policy Resolution which mother industries or nucleus industries large scale industries of the public sector undertakings have been induced to go to the rural and backward areas industrially backward and undeveloped areas so that they could set up nucleus industries with ancillary and downstream products and bring in real prosperity and balance regional economic development. Therefore, these public sectors which have gone into rural areas have in a way been responsible, apart from bringing in high technology and a capital intensive industry into the rural areas where infrastructure hitherto did not exist, for bringing in a lot of tertiary and peripheral development. But in its wake it has also resulted in uprooting people from their very vocations and throwing them out and which requires a

rehabilitation. Now, not even one per cent of investment such gigantic projects have looked into this aspect. I would like to cite one example. The National Aluminium Company which is an integrated aluminium smelter in Asia, an Indo-French project which has been sanctioned by the late Prime Minister Shrimati Indira Gandhi with Rs. 1242 crores has gone up to the astronomical figure of Rs. 2442 crores, within a span of five years only and it has thrown out people; when the project was set up not only the late Prime Minister but the then Industries Minister, Mr. Narayan Datt Tiwari and his subsequent successors had always said that one member from each of the families ousted will be given employment.

Today, if I were to quote the letter written by the Minister of State for Public Sector Undertakings, his letter No. D.O.NO.2(31) GM of April 9, 1987, he not only goes against the very promises and the assurances given by his predecessors—I would not like to waste the time of the House by reading the latter—but it says, "I hope you will understand, it is not possible to give them employment, because we have to be careful of the staff requirement we have to keep the staff within a reasonable minimum." Then, why give false promises that we are taking the public sector out to rural areas, one from each family of oustees will be given either in-house training and then they can be eligible to go into employment into these public sector undertakings and after five years we negate the very basis?

Now, Sir, I am sure, we do not want a situation like which is developing in Balia-pal where National Testing Range is coming up, where we are now forced to have a rehabilitation plan, which is probably of the same magnitude as the Testing Range itself, one is Rs. 138 crores and the other is Rs. 150 crores. Therefore, when these public sector undertakings are located, apart from the management aspect, this human aspect and the question of rehabilitation must also be taken into account. But, atleast 1 per cent of the entire sum of Rs.

2,400 and odd crores, only Rs 2 crores could have been spent on rehabilitation. This is most unfortunate, as most of them belong to weaker sections of the society and are tribal from Koraput and Dhenkanal Districts.

Then, I come to transportation, which has been given a boost in the Budget, which we are going to give effect to in the Finance Bill. By transport, I mean all the modes that is Railways, Surface Transport, Air Transport, Inland Waterways and pipelines. Today the need of the hour is, as is happening in other advanced/developed and developing countries, the integrated inter-modular transport, what is known as land bridges. For example, if we are getting a bottom in the Atlantic, it comes to Bombay. Now unless we have the facilities for the integrated system of both road and other modes of transport, the same foreign bottom will have to go all the way round the coasts to Madras. That means, we will be spending scarce foreign exchange earnings, we will be paying our taxpayers money to a foreign Government for employing foreign people, which we could conserve foreign exchange by paying to our own Indian counterparts if we have an integrated intermodular transport system, which is known as land bridges, that is the integration of all the modes of transport. This is one of the points which has been considered by the Expert Committee and the Planning Commission. I do hope along with containerisation and other modern methods of management of transport sector, this will be given effect to.

While on transportation, I would also like to mention that since infrastructural development and transportation has been given importance in the Finance Bill as well as in the Budget a backward State endowed with undoubted large natural resources in the form of forest resources, in the form of mineral ores, in the form of long coastlines, in the form of major ports, like Orissa has been demanding for the last forty years the question of linking Paradip port with the hinterland not only of Orissa but also to

that of Madhya Pradesh, Bengal and Bihar. Now the missing link of Jakhpura Banspani, which has been time and again mentioned here, has not been found possible till today in spite of the fact that there are firms, as well as the other Governments who are willing to help. But at the same time if one looks at the Transportation sector for the subsequent plan periods, one will see, from 22 per cent in the First Plan, when the total plan outlay was Rs. 19,060 crores, the transport sector was only Rs. 434 crores and in the Seventh Plan, the transport sector is Rs. 22,971 crores out of total plan outlay of Rs. 1,80,000/- crores, it has come down to 12.8 per cent. Correspondingly the Railways, which was 11.05 per cent in the First Plan, rose to 15.45 per cent in the Third Plan and has come down to 6.9 per cent in the Seventh Plan. So this position has to be corrected, if transportation is the economic parameter of the country's progress, as well as for upbringing of socio political and cultural objectives bringing in national integration.

Sir, I would like to take a little more time as I have few more points. Please bear with me. Therefore, this position has to be corrected and additional allocation has to be made either by the Planning Commission or allow the consortium which is willing to help States like Orissa to develop and exploit its natural resources for the cause of economic development as well as for the people of that area.

A lot has been said by previous speakers on environment, science and technology, rural development and attack on rural poverty. Here I must congratulate the Ministry as well as other Ministries for bringing this comprehensive scheme for providing rural employment and also utilising our vast potential of food production in the country for the weaker sections of society. This needs more strengthening, more monitoring because in spite of the Prime Minister's visit to various tribal areas, in spite of schemes and massive dose from the centre, still there are pockets of poverty,

[Shri K.P. Singh Deo]

islands of starvation and islands of deaths in rural areas which so far have belied all solutions. This needs a deeper look. I refer to my own State where there are pockets where people are dying because of malnutrition and sickness due to ill health and other draw backs.

As far as agricultural development is concerned, there are States in the eastern sector of India specially north-eastern States where full potentialities of irrigation have not been harnessed or have not yet developed. There have been water resources which have been stored, but unfortunately, there has been no drainage system or canal system and, therefore, the accent on utilising our resources or utilising the investments made in that sector must be made fully useful to the people and the State. I refer to Rangali multi-purpose dam. I refer to various other projects like Indravati and Upper Kolar which would usher in prosperity in the form of agricultural development. i.e. assured irrigation facilities. It would help in arresting flood devastation as well as help in generating electricity for which a State like Orissa is facing power famine today whereas 7 years back this State used to export power to Bengal and Andhra Pradesh. Projects like Talchar super thermal power project and Ib Valley super thermal power project area awaiting clearance just like the projects based on the aluminium. Aluminium will be the metal of the future which we are still importing to the tune of Rs. 8000 crores every year. Now the aluminium project based on the downstream products of the NALCO smelter of Angul is lying with PIB. I hope, the Government will expedite the matter and see that these continuous castings, hot rolled metal sheet alloys are given clearance immediately so that ancillary industries based on the production which has started is given immediate effect to. This will give more employment generation and at the same time, there is import substitution and conservation of scarce foreign exchange reserves.

It is notable that in the International Year of Shelter concrete steps have been taken to give effect to providing more shelter and housing in the coming year. I come from one of the areas in the east where from March to June we do virtually nothing else except to do fire fighting, I mean, village fires. Only a fortnight or so back you might have seen on the TV and newspapers that in my own constituency, there is the largest village in India called Bhuban, where 13,000 people have been rendered homeless because of forest fire. It is heartening that the Eighth Finance Commission has also treated fire as one of natural calamities. In this fire not only 13,000 people have been rendered homeless, but also more than 248 people who got severe burn injuries, are still in the hospital and 21 people have already died. The Prime Minister has been extremely generous in sending not only teams from the Central Government to go and make on the spot study but also given more than Rs. 8.87 lakhs as seed money for building fire proof houses. But the same village in 1983 was also gutted by fire where 1,300 families had been affected. Shrimati Indira Gandhi, at that time, also had given Rs. 5.5 lakhs but unfortunately, because of bureaucratic delays and ineptness till today not a single paisa from that Rs. 5.5 lakhs has been spent. So, I would like to urge upon the Government here to strictly monitor and see that within the next two months, before the onset of monsoons, this Rs. 8.78 lakhs and Rs. 5.5 lakhs which is still lying with the State Government, is used for the purpose for which it had been sanctioned. That is, for giving fire-proof houses which will not only protect people from annually going through distress, death and destruction but will also help in conserving our forest resources for which already Rs. 30 lakhs worth of timber has been supplied to these 3,096 families which have been affected. So, in the Year of the shelter, I am sure this will be done. I am sure, along with Bhuban there are many other villages which have thatched houses, which are inflammable material, which conserve a lot of forest material in the form of timber and bam-

boos. This will help in conserving our natural wealth as well as the environmental protection will be given effect to if we have fire-proof shelters. For this, HUDCO and other agencies of the Central Government must work hand in hand with the State Governments and have a time-bound programme.

While talking on environment along with the rapid industrialisation which is taking place, there must be integrated environmental protection in the form of plantations and in the form of biosphere reserves so that the ill effects of pollution are neutralised—both air pollution and water pollution—specially in Brahmani, Mahanadi and other rivers like Ganga. 'Operation Ganga' has started but Brahmaputra and Brahmani must be given priority in this Plan so that the people who reside on both sides on the banks of these rivers are saved from fly ash hazards which give rise to TB cancer and other incurable diseases

My last point is on Defence. For Defence now Rs 12 500 crores have been earmarked. For the last two decades in this very House I have been seeing that every time there is a Defence debate, every time there is a Budget Session, there has been some controversy about some defence item or the other. Today we are in a position where the geo-strategic and the geopolitical environment has worsened to such an extent that we are in the grip of a nuclear blackmail, we are in the grip of being surrounded and encircled by forces inimical to us. The internal threat to India's democracy and the internal threat to India's security has never been moarger than it is today, whether it is by overt or covert means, whether it is by sending infiltrators, whether it is by sending drug peddlers, whether it is by sending terrorists, extremists, whether it is sowing the seeds of disaffection among communities on the basis of caste, creed and religion, or whether it is by sending in disinformation, or whether it is by trying to utilise our intelligentsia, our students and our universities

and colleges or our media people. I would like to caution here that much before the United States lost the war in Vietnam, the war had been lost amongst the minds of the American people and the American universities. Today, a similar thing is happening here. Ten years back, in 1977, people were asked, were exhorted not to listen to their superior officers not to obey the lawful commands of their superior commanders. Today such a thing is being repeated once again. History is repeating itself. If one reads newspapers, one sees responsible leaders also exhorting. In the garb of championing the cause of armed forces, by their very utterances they are demoralising the armed forces. We have seen here responsible Members who have been in Government at one time and who, while being Members out of Government, have even gone to the extent of going and having discussions with General Zia about the defence of this country. The Raksha Mantri, Shri Venkataraman, had to pull them up and he had said that as Indian I would have felt proud of you if you had gone and told them that India has no design—ulterior or interior—against anybody instead of saying that you are coming and telling us in this august Parliament that Pakistan does not have any ill-will towards India or harbour military and aggressive designs for India. So, it is rather pertinent that the move to obstruct the National Testing Range in Baliapala seems to coincide with the time when our hon. Members who at one time were in the Janata Government had gone and discussed with Gen. Zia. It is significant that from 1984 onwards the movement in Baliapala has gained such a momentum that most of the opposition parties had been asked to go there and they had also gone and visited places. They have been given a public standing. This I am saying with full sense of responsibility that in the last two decades whether it was the Aircraft carrier Vikrant, whether it was the aircraft Ramees, whether it was Jaguar, whether it was 105 MM Gun, the Indian Field Gun, whether it was the main battle tank, whether it was Vijayanta Tank, there had been doubts cast on the veracity or effec-

[Shri K.P. Singh Deo]

tiveness of these weapon systems. Even about MIG aircrafts, there were questions in this very Parliament that there were cracks which had developed on the fuselage and the wing tip. So, I am sure, many of the Members remember it. Therefore, this is not the forum, this is not the occasion to demoralise our armed forces at times when the internal threat to India's security from its neighbours and from other forces is there to our prosperity, to our non-aligned policy, to our self-reliant policy, to our policy of fully being independent on our own is questioned and given various twists and turns, aided and abetted by various elements

In to-day's defence environment we require modern technology. We require modern equipment because weapons while do not mellow with age, in fact it becomes obsolete. Therefore, the gun which is outranged, a tank which is out-gunned, an aircraft which cannot survive in hostile environment, a missile which can be jammed, aircraft which cannot survive in electronics environment is of no use to us.

Rs. 12500 and odd crores is a direct input into development. Defence and development are complementary and supplementary to each other. A study of 55 developing countries by the University of Columbia has shown a definite relation to growth and defence expenditure. There are four main fall-outs out of Defence expenditure.

First is training of manpower. Second is direct participation in the industrial production. Third is the induction of more sophisticated technology and fourth is psychological change of fostering the sense of security.

I would like to end by quoting two great

people. One is Pandit Jawaharlal Nehru. He said—

"The strength of the country depends not only in its military strength, but in its economic strength, its political stability and the indomitable spirit of the people."

By our utterances here in our parliament, let us not demoralise the people of this country, based on un-substantiated record. Let us not play merry hell with the natural laws of jurisprudence, where a man cannot be held guilty till it is proved. Here we are character assassinating and we are killing a person. Even before we have framed the charge sheet, I would like to say let us not demoralise the people. If we go to Imphal, if we go to Dimapur, where Indian Army had fought the greatest action, there in the cemetery it is written:

"When you go back, tell them of us, for their to-morrow, we have given our to-day."

Let us not demoralise and spoil the morale of the people who are out on the borders, who are vigilant so that we may live in peace and security.

With these words I support the Bill.

[Translation]

SHRI JAGDISH AWASTHI (Bilhour) : Mr Deputy Speaker, Sir, I rise to support the Budget and the Finance Bill presented by the hon. Prime Minister. The hon. Prime Minister has announced concessions of Rs. 70 crores in the Finance Bill which has been welcomed not only by the Members of the ruling party, but by the hon. Members of the opposition as well. This shows that the Budget is a balanced one and reflects that the aspirations of the people have been respected. Besides this, the demands which we have made in the Budget for defence, for the development of the country and for different areas are very balanced ones. India is mainly a rural

country where majority of people live in villages. The programmes being launched by the Government particularly under the 20 Points Programme for their upliftment are commendable. I would like to draw the attention of the hon. Finance Minister to some points. The main feature of the economy of our country is that we help the poor people by giving them subsidy. Under the 20 Points Programme more than Rs. 2,000 crores have been allocated. Out of it, Rs. 310 crores is for Integrated Rural Development Programme, Rs. 480 crores for National Rural Employment Scheme, Rs. 725 crores for Rural Landless Employment Guarantee Programme which includes Indira Awas Yojna also. The Government deserves our praise for this. But I would like to submit that the grants are being misused. A number of Members have referred to it. The subsidy has also become like a leech which sucks blood from the body. We have no objection if the grants are utilised for the purpose for which they have been granted. But it has come to notice that is being misused. Some people misuse that subsidy. The amount allocated under the Integrated Rural Development Programme to the beneficiaries for purchasing buffaloes or for opening a cloth shop or for some other purposes are grossly misused. We should see as to how we can check such a misuse. Much discussion has been taken place on it, but the misuse of the subsidy and grants could not be checked. You should especially give attention to this problem. Subsidy which is given for handloom and for other purposes is also misused. The Government should consider as to how to check the misuse of subsidy of crores of rupees. A Committee should be set up to look into the matter so that the subsidy is utilised in a proper way. The Government should utilise the subsidy in setting up industries in villages to provide jobs to the people.

In addition to this, you have made an announcement regarding setting up of industries in those backward districts of the country, where there were no industries with a view to provide jobs to the peo-

ple and our district is one of such districts where there are no industries. I congratulate you for this. You have announced subsidy for the small scale industries and had declared 31st March, 1987 as the final date. I am sure that you might have extended this date. I have come to know that you will continue this scheme of subsidy upto the end of Seventh Five Year Plan. If you have not already extended this period, you may please do so now so that it may benefit the small entrepreneurs. On the one hand, you make declarations that you want to set up industries in those districts where there are no industries. In this connection, I would like to urge upon you that a survey may be conducted in these districts and industries in the public sector be set up there which may generate employment, because small scale industries do not serve the purpose. It does not remove poverty and does not provide employment to a large number of people. In addition to this, it is also necessary as per the policy of the Government to set up more and more industries. But only big industrialists get the benefits of industry, their income goes on increasing. The poor people do not get employment. It is a very serious matter. I want that you should formulate a rule, under which you should ask the big industrialists to provide certain per cent of jobs to the local people, at the time of issuing of licences to them. Only then we can remove un-employment from the country. Such an arrangement must be made.

You provide seeds and grant loans for agriculture through cooperative societies in rural areas. I would like to say about Uttar Pradesh. Our hon. Minister has been the Finance Minister of Uttar Pradesh and he has good experience. Societies have been formed there in the co-operative sector for the last several years and people have drawn fictitious loans to the extent of crores of rupees from these societies. There should be some solution to this problem. Fictitious loans have been sanctioned 3 to 4 years ago. The loans have not been drawn by actually eligible persons, but by others. Some people have already died. It is my submission that you should write off

[Shri Jagdish Awasthi]

such loans. You have done so in Haryana recently. If the farmers are not in a position to repay loans, which were granted to them three or four years back through co-operative sector in Uttar Pradesh, you should conduct a physical survey and 50 per cent amount of the outstanding loan should be borne by the Central Government and ask the State Government to bear the remaining 50 per cent of loan amount and the farmers be provided relief. The State Government may give this money to the banks in the co-operative sector so that there might be some improvement in the financial condition of farmers. Every year funds are released for the farmers, but they do not reach them. As a result of this, they have to face mental tension. As you have given Rs. 150 crores to NABARD, you may also please conduct a survey in Uttar Pradesh and relieve those farmers from the burden of the loan who did not actually draw the loan. This will earn good name for you and the Government. You did a very good job in the Budget by allocation Rs. 800 crores for education. I thank you for this. You are going to make some new experiments in the field of education and you are opening some Navodaya schools in the country. It is indeed a commendable work. Now-a-days there is much lack of education in our country and the primary education is in a very bad shape. As it is, different kinds of schools are being run. But it has kindled some hope now as the present Government has paid some attention in the field of education. We have pinned hopes in the Navodaya Vidyalayas as the lotus blossoms in the mud. Simultaneously we have also to see that education spread in rural areas where the condition of education is very miserable. Especially, its position is very bad in rural areas. At some places there are no buildings, no sitting arrangements, at some places teachers do not come in time. Where on the one hand you want to establish an ideal by opening Navodaya Vidyalayas, you want to give good education, on the other it is also necessary that you may please provide

financial assistance to all the educational institutions functioning in rural areas, provide them all tools and equip them in all respects so that our children may become promising youths by receiving good education and make the future of the country bright. With a view to bring about improvement in the condition of education which is very pitiable at present in the country side, it is very essential that Central Government should provide adequate assistance for this purpose. Then only we can say that the standard of education in our country being raised.

We have made arrangements for providing various kinds of technical education in the country and set up technical schools where higher education is provided. It is a matter of great regret that the talented students who come out of these schools after receiving higher technical education go abroad instead of serving the country. The money which we have invested in these schools goes waste, because we do not get any benefits from them. We should make such arrangements so that the brilliant and talented students who come out of these institutions after receiving education, are not tempted to go abroad and serve their motherland. Only then we can get the benefits of their talent and experience and it will also raise in the field of education. Such an arrangement is very essential for the bright future of the country.

I want to make a submission about electricity. We do not get as much benefit from the investment which has been made in the field of power generation. At present the electricity boards of all the States are running in loss and the quantum of electricity being generated through various projects, is very meagre. Besides, the voltage of electricity being supplied to the villages is very low and it is not available to them when it is required the most. As a result our farmers do not get any benefit from electricity and they do not get any help in irrigational work. Their crops are lying at the threshing places in the absence of power

supply We should pay special attention towards it and make such arrangements so that there is proper generation of electricity and there is improvement in its distribution We cannot make progress without ensuring supply of electricity to farmers in time. We use electricity for three purposes—Domestic use, Agricultural purposes and industrial production We should take suitable steps to check theft of electricity and ensure its continuous supply

We have invested capital to the tune of crores and billions of rupees in our units in the public sector and it is being discussed in this House almost daily that the public sector units do not produce according to their installed capacity Whenever a comparison is made between the public sector, and the private sector, it is very painful to find that the public sector is far behind the private sector Public Sector Units are not functioning properly As a matter of fact, we always talk of socialism We say that our country is a socialistic country and the type of socialism prevalent in our country will not be found in any other country. But the perverted form of socialism is prevalent in our public sector units, which is a matter of serious concern for all of us This situation has been created due to the bureaucrats and persons engaged in their management and such a nasty situation in the Public Sector Units has been created by them This matter has been discussed in the House many a times. I would like to submit the hon Minister that it is high time when we will have to take concrete steps in improving the situation, because we have invested billions of rupees in them and it is being misused Until and unless we take some concrete steps, we will not be able to improve the situation in the public sector units.

Finally, I would like to submit that black money has become a matter of concern in our country. Black money is also called the number two money in our country As a matter of fact, two parallel Governments

are being run in our country. One Government is being run by our Hon. Prime Minister, Shri Rajiv Gandhi and other Government is being run by big capitalists, rich men and the persons owning huge wealth. They have created a parallel system in the country In this way dual administration is being run in our country Our Government should see as to how to get control over this black money which has been accumulated with rich persons during the last 40 years. We have to see as to how to get it and how to bring it to light. When we are able to control it, then only we can claim that we have streamlined the economy of the country It is the need of the hour It is the challenge to-day The people, who accumulate black money, are very expert in their field of work. It may be that their number is small, but they are very influential and they have approach to high ups Therefore, such rules should be formulated so that they could be checked and they are not able to generate black money Action may also be taken against those people who generate black money When such an arrangement is made, only then our country's economy will function smoothly

I am of the view that under the leadership of our Hon Prime Minister, this Government will definitely control the persons who generate black money, whether they are in the country or abroad This Government is a socialist Government and we are servants of the people With these words, I support the Finance Bill presented by the Hon Prime Minister in his capacity as the Finance Minister.

*SHRI V S VIJAYARAGHAVAN (Palghat): Mr Deputy Speaker, Sir, I rise to support the Finance Bill. I also welcome the new concessions announced by the Prime Minister yesterday The Prime Minister while introducing the budget said that this year's budget is for the poor and for growth He deserves congratulations for framing the budget with these twin objec-

*The speech was originally delivered in Malayalam.

[Shri V.S. Vijayaraghvan]

tives in mind. The allocation for anti-poverty programmes proves this claim. This year an amount of Rs. 2050 crores have been allotted for rural development. This is 15% more than the allocation made for the same purpose last year. This is a welcome step.

With regard to housing I welcome the concessions announced by the Govt. Under the present scheme relief in respect of income tax is given to the extent of the amount repaid in a year. However, there is a ceiling imposed on it. In this connection my suggestion is that the ceiling should be removed and full benefits should be given to the assessee for the whole amount which is repaid.

The national savings scheme is a laudable one and the Prime Minister deserves to be congratulated for introducing this scheme. In this connection I have a suggestion to make. Under this scheme, if a person deposits upto Rs 20,000 half of that amount will be deducted from his taxable income. My opinion is that a little more benefit should be given to the fixed income group. You can for example introduce a slab system for the different categories of assessees and those who come under the lower slabs could be given full tax exemption for the entire amount that is deposited. This will give greater relief to the fixed income group on the one hand and act as an incentive for saving on the other. Therefore I would request you to consider it.

Sir there have been demands for raising the exemption limit in respect of income tax. In the past many concessions were announced for the tax payers as a result of which many of them had gone out of the tax net. The Govt. had done that for a purpose. The purpose was to provide relief to the tax payers who are in the fixed income group, who are the hardest hit due to inflation in prices. The Govt. had rightly thought of giving them some relief and that is why various concessions were announced

during the past few years. But the basic exemption has not been raised this year and this has brought back all those people under the tax net. This must be reconsidered. I demand that the basic exemption in respect of income tax should be raised to at least Rs. 25,000.

Another point I want to make is that the dearness allowance paid to the employees should be exempted from income tax. The Govt, I understand, had a proposal in this connection but I do not know what happened to that. Dearness allowance is a cushion against price rise. Therefore it is not proper to tax that amount. I request the Govt, to take an early decision in this regard.

Sir, the Govt has taken a number of important steps to streamline the administration. I welcome those steps. The main responsibility of the administration is to solve the day to day problems of the people. Therefore, we must concentrate more on the levels where the people coming to contact with the administration in their day today life. Even the small problems they encounter there will create needless difficulties. I would give you a small example. Under the present legal set up an affidavit gets legal validity only when it is signed by the notary public. This is a totally unnecessary procedure because neither the notary public knows the fact nor he has any means to verify them. Then why such a rule is made? My opinion is that the notary public system should be abolished forthwith. So far as the averments in an affidavit are concerned it is the deponent who is responsible. If the deponent makes a false statement he should suffer the punishment under the law. What has a notary to do with that? Under this system certain people can make money. Otherwise to my mind it serves no purpose. Similarly, take the case of the stamp paper. In Delhi stamp paper of lower denominations are just not available. The stamp vendors invariably put up a notice in front of their shops saying that lower denominations stamp papers are not available. A person who wants a paper of Rs. 2/-

or 3/- will be compelled to buy Rs 10/- denomination paper. These are the experiences of common man. There is a vested interest in this. The stamp vendors would get higher commission for higher denominations of paper. So they will sell only those papers. Why can't you supply these papers through post offices and banks. That would make it more convenient for the people to buy the stamp papers. What I mean to say is that the Govt. must pay attention to this smaller things also which cause needless harassment to the general public.

Having said this I will come to the serious drought conditions prevailing in Kerala. The drought this year is more severe than the one in 1983. Wells and tanks have all dried up and there is an acute shortage of drinking water in many districts in Kerala.

Last year rainfall was scanty. This year there has not been any rain since January. Of course, during the past two or three days there has been some rains in certain parts of the State. But that is not going to change the situation. In many parts of the State heavy damage to crops has taken place. It is estimated that in the agricultural sector alone a loss of Rs. 600 crores has occurred.

Of all the districts in the State Palghat is the worst hit due to this drought. There is severe shortage of drinking water in many parts of this district. This is still more serious in the Attappadi tribal belt. According to an estimate in the agricultural sector in Palghat the total loss is about Rs. 64.49 crores. In some taluqs damage to paddy crops is as high as 60%. Damage to coconut trees and bananas is 30% and 50% respectively. Papervines in 1165 hectares are totally damaged. This comes to about 70%.

A study team was sent by the Central Govt. to assess the impact of drought in

Kerala. But due to the wrong approach of the State Govt. the study team could not obtain the benefits of the views of the representatives of the people and the general public. Perhaps the State Govt. has deliberately created a situation where it was not possible for the study team to meet the people directly. The motive behind this could be to put the blame on the Central Govt. for any failure in this regard. It is the people who are facing the miseries. Therefore, the Govt. crush assistance to the drought affected people

14.00 hrs.

Palghat district deserves special consideration. Last year the Prime Minister had during his visit to Kerala said that the special problems of Palghat could be given consideration. He had seen the life of the adivasis in this area. Attappadi has been facing drought conditions continuously for the past many years. This region lies in the rain shadow area of the western ghats. I had demanded many times that a special study should be conducted into the causes of the recurrent drought in this region. I repeat the demand that the Govt. should send a special study team to Attappadi for this purpose.

The farmers are suffering. 113 villages in Palghat have been declared drought affected. Still the State Govt. continues to levy water tax for the water released from the Govt. owned reservoirs, tanks etc. This has added to the miseries of the farmers, I would request to the Govt. to direct the State Govt. to waive the water tax being levied on the farmers. Similarly, the farmers have taken huge loans from the banks and cooperatives societies. They cannot repay that loan. I would therefore, request the Govt. to direct the State Govt. to pay this money to the cooperatives and thus save the farmers. The agricultural workers and other workers are on the verge of starvation I would demand that free ration should be supplied to them.

There is a Govt. in the State which is not

[Shri V.S. Vijayaraghavan]

interested in solving the problems of the people. Therefore, it is the responsibility of the Central Govt. to provide all possible assistance to the suffering people of Kerala. I once again support the Finance Bill and conclude my speech.

[English]

SHRI LAKSHMAN MALLICK (Jagat-singhpur): I rise to support the Finance Bill. First of all, I would congratulate the Hon. Prime Minister for making a large allocation for the anti-poverty programmes.

Emphasis has been given to the programmes for rural development like NREP, RLEGP and IRDP. The main objective of these programmes is to alleviate poverty of our people who are living in rural areas and who are mostly backward like the poor Adivasis and Harijans. All these anti-poverty programmes, if implemented properly and effectively, will go a long way in removing the poverty in our country.

We should see that the funds allocated are properly utilised and the really needy people get the benefit. The monitoring system should be strengthened for implementing all these programmes. All the anti-poverty programmes are now executed through many agencies. Mainly these programmes are organised through the block development machineries. All these block development machineries were designed and installed in 50s which are too old. So, these block machineries should be reorganised and strengthened since the outlay for such programmes is increasing. My suggestion would be that all these anti-poverty programmes should be implemented by one agency and should be controlled by one administrative unit.

14.04 hrs.

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

You know that thousands of acres of

agricultural land is being water-logged. This is a very serious problem for farmers. There is no drainage system to solve this problem. We are spending crores of rupees under RLEGP programme for construction of roads, embankments and culverts. To save these poor farmers from the water-logging areas, why should we not think of providing some money out of the RLEGP funds to construct the drainage system in these rain-fed areas and the water-logging areas? My suggestion is that the Government should consider all these cases and money should be provided out of the RLEGP funds for the construction of drainage system in the water-logging areas.

Sir, Paradip port is one of the ten major ports in our country. It is now neglected. It needs to be developed and modernised. It is regretted that adequate provision has not been made for development of Paradip port. The economy of our State largely depends on this port. Government should come forward to take necessary steps for the expansion and development of the Paradip port.

South Korean Government has agreed to finance for the development Paradip port. The money would be financed through the Hondai corporation. I would request the Government and the hon. Minister that the development of Paradip port through the Hondai corporation should be taken up immediately so that the port facilities may be available to the people.

Fishing harbour, oil refinery and ship building facilities should be set-up at Paradip and provision should be made for these so that Paradip port gets developed.

There are so many on-going projects. The first priority should be given to on-going projects. If the on-going projects are completed in time then people will get proper benefit. In Orissa the on-going projects are Upper Kolab, Indravati, Subenrekha and Rangali. These projects on completion will provide adequate flood control measures and provide additional

irrigation facilities to the State. These are spill-over projects from the Fifth Five Year Plan. I would request the hon. Minister to provide adequate funds so that these projects could be completed in time.

As regards power the position is very acute. There is shortage of power. In 1985-86 the power shortage was 19.2 per cent and in 1986-87 it is 24 per cent. I would request the Government to make heavy investment in Orissa for the adequate supply of power. Orissa is full of mineral resources and the mining royalty is very small in Orissa. I would request the Government to increase the mining royalty for the State of Orissa. Orissa is lagging behind in railway facilities. Today I raised the question about shifting of the South-Eastern Railway Headquarters from Calcutta to Bhubneshwar. I will request the hon. Minister to re-consider this. If Bansapani Jakhpura rail link is completed then it will develop the Paradip port. So adequate funds should be provided for the early completion of this rail link. Also adequate funds should be provided for the completion of Talcher-Sambalpur railway line. Agriculture plays a very important role in the economy of our country. Sir, I request that more money should be provided for dry land farming. It should be given priority. In the absence of irrigation facilities, the areas with less than 700 mm rainfall should be given priority for development. Sir, the Agriculture Commission should take up this issue seriously to divide the country into zones in order to develop the dry land areas. Agricultural university should be set up there for dry land research in such areas.

Sir, there was a proposal to set up an integrated steel plant at Paradip. The location was subsequently changed to Daitari. But the steel plant has not been set up even at the new place. In order to provide additional employment opportunities, it is necessary that the steel plant is set up at Daitari soon.

I thank the hon'ble Prime Minister for allotting additional funds for launching a comprehensive programme for housing development, particularly housing for eco-

nomically weaker sections. A provision of Rs. 125 crores has been made in the budget for housing under the Indira Awas Yojana. Sir, under this scheme, one million houses will be built during the Seventh Plan period for people belonging to Scheduled Castes and Scheduled Tribes. Sir, I request the Government that the houses under this Yojana should be qualitatively better so that the poor people get good houses.

There are some drought prone areas in our State. A provision of adequate funds should be made for the agriculturally under-developed areas. Such areas should be properly developed on a priority basis.

Sir, the reservation policy for the students belonging to the SC/ST categories should be strictly followed.

Land reforms should be properly enforced so that the poor people are benefited.

Finally, I request that all the schemes for Scheduled Castes and Scheduled Tribes should be implemented vigorously and properly. There have been atrocities on Harijans and Adivasis. Government should take all possible measures to provide them protection. The land ceiling should be implemented. A fishing harbour should be set up at Paradip port. The projects which are incomplete and are ongoing, should be completed by providing adequate funds for the same.

With these words, I conclude and thank you, Sir, for giving me an opportunity to participate on this debate.

[*Translation*]

SHRI SHANTI DHARIWAL (Kota): Mr. Chirman, Sir, I rise to support the Finance Bill. The financial policies of the Government will provide a new dimension to the country's economy and it will protect the interest of the common man. The taxes of Rs. 322 crores have been levied in the Budget, which can not be considered to be excessive. Even good policies are formulated in the absence of more taxes. But there are certain things which continue to be cause of concern. One of such case is

[Shri Shanti Dhariwal]

increasing amount of foreign debt on which huge amount is to be paid as interest charges. This year the interest charges will amount to about Rs. 10,000 crores. Instalment of repayment of loan amount to be paid to International Monetary Fund is also likely to be of the order of same amount. 22 per cent amount is also paid for export. These are the obstacles in the path of self-reliance. Keeping these things in view it becomes a matter of concern for us as to how we will march forward towards self-reliance. Similarly trade balance is of the order of about Rs. 8,735 crores. It is a matter of pleasure that it has come down by Rs. 1000 crores during the last year. In spite of this, the danger continue to be there, because electronics and defence goods are to be imported from abroad. We should produce items indigenously and check the outflow of foreign exchange from the country. Mr. Chairman, Sir, Hon. Minister of Finance is not present here, then who is listening to us. Should I give my notes to him. Mr. Chairman, Sir, you may please pay attention towards my points.

[English]

The Finance Minister is not present, Who is taking notes on the Government side?

MR. CHAIRMAN: I am sending for him.

[Translation]

The public sector management also needs a lot of improvement. Only those persons should be brought in the management who have good knowledge of business and who are experts in their field and who should be personally accountable to the development of the public sector. Today about 119000 units have fallen sick which have rendered about one crores of people as jobless due to their sickness. These one crore of people affect the lives of 5 crores of people. If we take 5 members in a family, then 5 crores of people are facing difficulties due to these sick industries. There has been production loss of at least Rs. 10,000 crores and revenue loss of Rs. 2,000 crores due to these sick units. We have to see as to

why this sickness is on the increase in the industries. What are the reasons that the industries which were earning profit till the very recent past, have become sick today? Why does the Government allow them to resort to retrenchment? Whether it is a public sector or a private sector, it is the biggest problem. Whereas it is bad management which creates problem in the public sector, in the private sector, it is due to short supply of raw materials or the facilities provided by the Financial Corporations.....

SHRI AJAY MUSHRAN (Jabalpur): You can not say this thing here after coming here?

SHRI SHANTI DHARIWAL: What more can I do by coming there? What is the number of persons? In this way only 78 per cent of the industrial capacity is being utilised. What happens actually is a matter to be observed. A lot of stress has been laid in the budget on development, savings, capital investment, But how these policies are being implemented needs to be observed. You may take the case of education or I.R.D.P., there has been increase in allocation for these sectors. Our Congress Government is following those very policies which were being pursued by our former Prime Ministers Shri Jawaharlal Nehru and Shrimati Indira Gandhi. These policies have brought about improvement in the conditions of the poor and large number of people have risen above the poverty line. More efforts are being made in this direction which is a commendable thing. The exemptions granted on commodities of daily use prove that we are working in the interest of the poor and providing benefits to them. Priority has been accorded to housing sector. It has also been stated that efforts would be made to provide employment and increase production. These are all commendable things. The opposition has always been propagating that this Government is opposed to development as also this Government can in no way develop the country. The people who indulge in such a propaganda can not ignore the fact that a provision of Rs. 2,050 crores has been made for rural development this year

as well. Efforts have been made to reduce the prices of 44 items of mass consumption. It is a very big effort. These people indulge in such a propaganda by overlooking all these facts. None of them is present here at the moment, to whom should I make my submission?

SHRI AJAY MUSHRAN: You may please go ahead.

SHRI SHANTI DHARIWAL: It will please me if you please note down on behalf of the Finance Minister. We should accord priority to all irrigation schemes. Wherever we go, we listen to the reports of famine. Especially the famine affecting Rajasthan is unprecedented. We only pay lump-sum amount for it. We distribute a very meagre amount of foodgrains. This will not serve the purpose. We should make some permanent arrangements so that we can face drought and famine even if there is no rain at all. The small or medium irrigation projects, should be approved at the earliest and funds should be provided to complete them. It should not be delayed. Many times, some schemes remain pending with the Planning Commission for clearance for a period from four to five years and as a result of that if a scheme is estimated to cost Rs. 2 crores, the expenditure of that scheme increases to Rs. 5 crores by the time of its clearance. Therefore, I would like to request that the schemes formulated for famine affected or the areas affected by any other natural calamity should be cleared without any delay. The projects relating to power generation should also be cleared immediately, because the process of industrialisation has been held up due to the shortage of power. I come from Kota district in Rajasthan, which is a biggest industrial city in Rajasthan and where maximum facilities are available, but even then the process of industrialisation is not gaining momentum there. Though water, roads and other facilities are available there, but there is shortage of power. Therefore, I would like to request that the project relating to power generation should be cleared on priority basis and work on them should be initiated immediately. The main reason of sickness

of different units is also the shortage of power. No industry is getting requisite supply of power.

I would like to make my submission regarding the development of forests. Though our agriculture policy is much criticised here, but I would like to tell my colleagues of opposition parties that had our agriculture policy been not good, how we could have become self-reliant in respect of foodgrains. Today we have 20 million tonne of foodgrains in our stock and it is all because of the good policy of the Government. At present we have sufficient stock of foodgrains. Several schemes have been formulated by the Government to remove unemployment and it is continuously engaged in the task of removing unemployment. As per an official estimate, about 7 crores people are unemployed in our country. I do not think that with such a large number of unemployment people, our development will be possible and we will be able to register our name in the list of developed countries. The efforts which have been made by the Government to remove unemployment are not sufficient. You might have provided loans or any other assistance to them under some schemes, but unemployment allowance is essential for them. The Government of Maharashtra has done commendable work in this regard. It gives from Rs. 11 to Rs. 14 per day to every unemployed who has registered his name in the office of the Collector. I think, this scheme should be extended to whole of the country, because unemployment allowance is very essential for unemployed people. I request the Government to formulate a definite policy in this regard. In addition to the removal of unemployment, concrete measures should also be taken to speed up the work of industrialisation and power generation. All the sick units should be re-started and the workers who have become jobless should be re-employed.

The vocational education which has been much discussed here should also be

[Shri Shanti Dhariwal]

implemented speedily. It is a matter of great concern for us that wasteful expenditure is increasing day by day in Government offices. In this regard, various articles from time to time are published in magazines and journals. Recently an article appeared in 'India Today' magazine in which it was stated that about Rs. 20 crores of Government of India goes in extravagancy every year, but we did not find that the Government has conducted any survey or resorted to some other measures to check such extravagancy. It is very necessary to check this wasteful expenditure. If it is checked, we will not require to impose new taxes or borrow money from other countries. Therefore, it is necessary to check this extravagancy effectively.

Our Financial institutions including banks are not working properly and their system of functioning is defective. Whenever this matter is discussed here, the Government claims that its policy is functioning well. We should also look to the growing feelings of the people about these financial institutions. They have to deal with these institutions everyday. You can ask any poor person, Scheduled Caste or any educated youth about the functioning of these institutions, you will find that none of them is satisfied with their functioning. Not only the poor, but big industrialists are also not satisfied with the functioning of these financial institutions. About 80 per cent of the sick units in the country are due to unsatisfactory functioning of these financial institutions. The people are distressed and that is the main reason that people are not making any progress in this sector. The unemployed youths have to go to banks for at least forty times, only then they are able to get a loan of Rs. 25,000/-. You have provided facility to them to get loan without producing any security, but the Nationalised banks harass them and after getting fed up, they think that it would have been much better, had their names were not recommended; because they are made to run from pillar to post by these

banks. Therefore, it is necessary to give a serious thought as to how the working of these financial institutions could be improved.

Mr. Chairman, Sir, 15 per cent import duty has been imposed on fertilizer. I would request you that it should be reduced, because if not this year, next year it will affect our agricultural production. It directly affects the farmers. Similarly, there are certain other things for which concession on import duty should be given like medical equipments, machines of sonography which is used for medical treatment etc. The prices of tractors have increased too much. It is very surprising that the tractor's price which was between Rs. 10,000 to Rs. 15,000 a few years ago has now gone up to Rs. one lakh. These all things directly affect the farmers. On the one hand you increase the support price of foodgrains merely by Rs. 3 to 4 every year and on the other hand you have increased the prices of implements used in agriculture by Rs. 10 to 15 thousands by imposing new taxes. The implements and other inputs of agriculture should not be taxed at all. All the machineries used by the farmers such as electric pumps, diesel pumps, tractor or any other machineries should be tax-free, otherwise the farmer of this country will not be able to make progress.

Mr. Chairman, Sir, so far as the question of regional imbalance is concerned, I would like to say that as compared to other states, no factory has been given by the Central Government to Rajasthan. There are certain States like Karnataka, Andhra Pradesh, Tamilnadu or Uttar Pradesh to whom five to seven Central Undertakings or Units have been given at a time, but in Rajasthan, there are hardly 4 or 5 industries i.e. H.M.T. in Ajmer, instrumentation factory in Kota etc. which have been given by the Centre. Since 1965, no industry under Public Sector has been set up in Rajasthan. It has created a feeling among the people of Rajasthan that they are being ignored. Therefore, I would like to request the hon. Minister of Industry to set up some industries in Rajasthan also. He

should ask Railway Minister to set up a railway factory there. You have set up Hindustan zinc and Hindustan copper in Rajasthan which is not a big thing, because these industries have to be set up there as zinc and copper deposits are available there. These industries would have to be set up by you of your own and there was no need for their demand. Besides these industries, some other big industries like Railway factory, Telecommunication factory or Aeronautics factory should be set up in Rajasthan. But you are not giving any factory to Rajasthan as a result of which every resident of Rajasthan is feeling that injustice is being done to Rajasthan and they also ask us to demand justice for the State. Therefore, I request you to pay attention towards this thing also. Ours is a mostly desert and hilly areas and the plain area is very small one. Every year it is affected by drought and famine and then we have to beg from the Central Government. You have to see all these things. You should follow the same yardsticks for the desert has been determined by hilly areas.

This year you have given 3 lakh metric tonnes of wheat which has been exhausted by 31st March.

I would like to request the hon Finance Minister that though he could not listen to my full speech, but I shall be grateful if he pays attention to my two points in the end.

I once again would like to say that the relief of 3 lakh tonnes of wheat given to Rajasthan was exhausted by 31st March this year. Therefore, I would request the hon. Finance Minister to allocate more wheat to Rajasthan Government to meet the famine situation in the State. The State Government has also given a representation to the Central Government and to the Hon. Prime Minister in which it has been demanded that 5.50 lakh metric tonnes of wheat should be given free of cost for the labourers working on various relief works.

SHRI VISHNU MODI (Ajmer): Mr. Chair-

man, Sir, I rise to support the Finance Bill for 1987-88.

I think we are passing through the last stage of the Budget presented by the Hon. Prime Minister. During the discussion on the Budget generally all the hon. Members of Parliament have appreciated this Budget and general public have also praised this Budget. Some loopholes which were left, have been removed through the Finance Bill. Section 194-E has been completely deleted. In regard to section 115-A which was relating to adjustment of loss, a pragmatic approach has been adopted for which I would like to thank him.

I would like to draw the attention of the Hon. Minister that such clause was included in last year's Budget also, but later on it was withdrawn. This time again it was included as Section 194-E which was discussed by the House and also discussed all over the country and it was decided that this section should be deleted, because it will be detrimental to the speedy development and industrial growth of the country.

There are some over enthusiastic officers in the Ministry of Finance and they include such sections in the Budget which create trouble for the Government and it becomes a matter of great anxiety for people. I thank the Hon. Prime Minister for announcing some concessions.

Mr. Chairman, Sir, this year, the Demands of so many Ministries could not be discussed. We could discuss the Demands of only ten Ministries. We could not discuss the demands of some important Ministries such as Finance, Health, Commerce, Industry, Steel and Mines, Urban Development, Tourism, Atomic Energy, Science and Technology etc. Therefore, I would like to draw the attention of the Minister of Parliamentary Affairs that efforts should be made to discuss the Demands of maximum number of Ministries.

[Shri Vishnu Modi]

We have been witnessing this fact from the very beginning that we have been presenting deficit Budgets. Shri C.D. Deshmukh who was a well known Finance Minister had expressed the view that instead of resorting to loans, if we opted for deficit Budget there would be nothing to fear of. Our past history tells us that in spite of deficit Budgets, we have made speedy development in the country and there is nothing to worry about it. But we have to check extravagancy so that the development works which have been undertaken could be speeded up.

I am happy to know that during 1986, 10504 searches were conducted and so far as I know black money worth Rs. 7.92 crores was unearthed and contraband goods worth Rs. 216.99 crores was also seized. I thank the Director of Enforcement and the offices of the Finance Ministry who have acted very efficiently in taking action against smugglers and the persons who violated FERA and I hope that they will continue their drive in future also. The Hon. Prime Minister and Finance Minister have also assured that the drive against the economic offenders who want to disrupt the economy of the country will continue more vigorously.

Here I want to quote a statement of Pt. Nehru:

[English]

As early as 1929, Nehru had stated, as Congress President:

"I must frankly confess that I am a socialist and a republican and am no believer in kings and princes or in the order which produce modern kings of industry which have greater power over the lives and fortune of men than even kings of old and whose methods are as predatory as those of the old feudal aristocracy."

[Translation]

I would like to draw the attention of the hon. Finance Minister towards this statement of Pt. Nehru, who said it in 1929 as a Congress President that the modern big industrialists and business men are more dangerous than the old Feudal Kings and Princes. This memorandum shows the great difference between the words and deeds of the Government of this historical Congress Party which claims to have adopted a socialistic path. Few selected persons influence our decisions. I would like to draw the attention towards cement industry. The Hon. Prime Minister has also said in his Budget that due to our policy the cement is not in seller's market but now it has been brought under purchaser's market. It was due to the efforts made some years back to provide encouragement to mini cement plants instead of big plants set up with a cost of Rs. 100 to 200 crores by big businessmen. For this purpose, Government had put a challenge before the Cement Research Institute which accepted it. Taking into consideration the fact that these units would be set up in remote areas and will provide more employment, the Government declared in 1979 that complete excise relief would be provided to all those mini cement plants which would be set up within next five years? This policy was declared in 1979, but at that time CRI did not have the requisite technology. Later on it developed technology and tie up with financial institutions took some more time and as a result of that cement plant could be set up only in 1982-83. Earlier CRI did not have technology and it was only in 1982-83 that good quality cement came in the market, but in 1983, the excise duty relief given to them was withdrawn. As a result of that these mini plants, in which Rs. 500 crores of Government financial institutions has been invested and in addition to it, the middle class entrepreneurs have also invested their money in them, are turning sick, because their viability depended on the excise duty relief granted to them for five years. The owners of big cement plants

have not only done this, but the rebate which was available to mini cement plants, was also withdrawn. I would like to tell you that in 1982 the relief was withdrawn and since then a relief of Rs. 783 crores has been given to large cement plants. In 1982, they were allowed to sell 33.4 per cent cement production of installed capacity without any levy which was increased to 50 per cent in 1984 and later on it was further rased to 60 per cent. All these incentives provided to them earlier and now incentive of Rs. 50 has been given in this Budget amounting to a relief of Rs. 783 crores to these big cement plants.

There has been yet another punjling. In the name of mini cement technology, some people have set up cement plants in the name of *Rotary Kiln*. They have set up plants of the capacity of 300 tonnes, 350 tonnes and even 450 tonnes, but they got them certified as a plant of 200 tonnes capacity. After this, sanction was not given by the Ministry of Industry for setting up plants of the capacity of 375 tonnes. But those who had set up plants of the capacity of 200 tonnes, the Ministry of Industry now certified them upto 375 tonnes. In this way they got benefit of Rs. 32.6 crores. The Government is determined to bring socialism in the country and it wants that the entrepreneurs set up industry here. I agree that industrial growth has taken place in the country and the public sector, small scale industries and the medium scale industries have played a great role in it. Therefore, I would like to draw the attention of the hon. Finance Minister that an industry which was set up due to the policy of the Government is going to be closed. More than Rs 500 crores of the financial institutions have been invested in it. So, you should try to find out through your Ministry as to on which technology, the cement plants were based and how much relief you are providing and who is getting the relief. You provided relief of Rs. 783 crores to the big cement plants and you never bothered to know as to what is the condition of the mini cement plants.

Mr. Chairman, Sir, I would also like to draw the attention of the hon. Minister to the fact that the Ministry of Steel and Mines has decided to set up a super zink smelter in Rajasthan. Just now Shri Shantiji was saying that this plant should be set up at a place where copper and zinc are available in abundance. But the irony of fate is that on the one hand we say that our public sector is running in loss and on the other, we have great expectations from this sector. I am of the view that when we make a compromise in the public sector, it runs in loss. A major compromise we do is at the time of selection of the location.

We also compromise when we select the technology. In the same way, we also compromise in the matter of manpower and on other issues. No seriousness is being shown in the setting up of super zinc smelter plant. Its location has been fixed at Chandoria in Chittor which is 125 kms. away from the place where there are deposits of zinc. Now what will happen is that concentrate will be available in Agucha Rampura where zinc is extracted and more than 2000 tonnes of zinc will be transported daily by road. The result will be that the plant will sustain loss continuously. At present we are importing it, so we think that its price is very high, but will the public sector be able to bear the transportation cost that will come here. They say that water is available in abundance there and the water is in short supply in Agucha Rampura. I would like to submit that there is a Banas river at a distance of 50 kms. from Agucha Rampura and there are three perennial rivers—Mahi, Chambal and Banas in Rajasthan. If water is made available from Banas, it will cost less and the factory will earn more profit.

Besides this, another compromise is being done in the matter of technology. I.S.P. technology is being imported from England and the British Government is giving grants for it. Sir, will you prefer to import outdated technology just to avail of this grant. No plant based on that technology has been set up in the world for the last

[Shri Vishnu Modi]

8 to 10 years. Besides that technology, other technologies have been developed. The mother plant developed on the basis of I.S.P. technology has been closed, but it is not understandable as to why we are importing it. It is just to avail of the aid or there might be some other reason. I would like to draw the attention of the Government that this technology is outdated. If we set up plant based on this technology, we will have to import coal and it will cause pollution as well. To keep the record straight, I would like to say that one day we all may not be there in this world, but the decision being taken here is not justified. The record of the Parliament of the country will prove this thing, when this plant will run in loss.

Besides this, I would like to refer to the famine conditions prevalent in Rajasthan. There is a famine in Rajasthan for the fifth consecutive year. The entire economy of the Western Rajasthan is dependent on the animal wealth. There is a danger of elimination of animal wealth in the border districts. The animals are being smuggled to Pakistan from there. Last time when I visited Jaisalmer, the people told me that cows are being smuggled to Pakistan from there. Mr. Chairman, Sir, I would like to request through you that the proposed visit of the study team to that place should be expedited and the assistance to be given to the Rajasthan Government in terms of wheat and funds should be sanctioned immediately, particularly keeping this in mind. I would like to assure you that last year the Rajasthan Government utilised the funds meant for famine relief in carrying out those permanent works which will give relief to us from the famine in the coming years. The Government is doing commendable work which will benefit the people. So, as soon as possible, the Rajasthan Government should be provided assistance.

At present, Rajasthan is facing acute problem of drinking water. Sir, the condition in the constituency which I represent

is so bad that the water comes there for 20 minutes in four days. One bucket of water costs Rs. 5. There was severe famine last year also, but the Government saved the situation by installing handpumps there. But this time, the water level has gone 25 to 30 ft below the normal level and more than 50 per cent of handpumps have gone out of order. This has created acute problem of drinking water. The situation will become worse in the coming summer days. There is no means of communication except rail in that area by which water could be brought from the distance of 200 kms. The Rajasthan Government has formulated a scheme called "Bisalpur scheme" which will be completed in the next three years. Under this scheme a dam will be constructed on Banas river and a new pipe line will be laid to bring water. But the State Government has not so much resources as to complete the scheme on their own. The State Government wants that the Ministry of Finance get them soft loan available from some institution so that this scheme is completed. I would like that the problems of Ajmer which is a historical city of Rajasthan should be solved. There is a pilgrimage centre Garib Nawaj, which is a heart of Rajasthan and the people of this place are not getting drinking water. More than three fourth area of Rajasthan is desert. We are constructing Rajasthan canal, which is now called Indira Gandhi canal, since 1955. The Rajasthan Government will not be able to complete this canal with the resources they have. More than 30 years have elapsed since the construction of this canal was started. Much progress has been made in its construction and a large area has been brought under its command. I want that the Centre should take over the construction of Indira Gandhi Canal. I would like to tell one thing more.

[English]

"Rich in water and agricultural resources, may the land of our nation strengthen us where tamed waters flow day and night through a network of canals constructed by proficient engineers."

[*Translation*]

A Desert Development Board was been constituted for the three-fourth desert area of Rajasthan and fund is being released through it. Unfortunately, the Government is spending fund on the development of Western Ghats by treating it as a hilly area. The hills which divide Western Rajasthan and west of Rajasthan is called Aravalli hill range. The height of that hill range is not less than that of Western Ghats. Due to the felling of trees that hill range has been denuded. As the area under forestation has gone down, so it has affected ecological balance and the monsoon has become erratic. A scheme for Aravalli hills should also be taken up like that of the scheme of Western Ghats. When photographs of Aravalli were taken from the INSAT it was found that there are four gaps in that hill range. One gap is near Pushkar which falls in my constituency. Our ecological experts have admitted this fact that the desert gap is marching towards rest of India from there. I had written to the Prime Minister about those gaps. The Prime Minister wrote to the Waste Land Board to draw up a scheme for tackling these gaps. Unfortunately, the Waste Land Board has not taken any action in this matter. If that gap is not stopped, it will affect Pushkar which is regarded as the most important centre of pilgrimage for Hindus. The pilgrimage of a Hindu is not completed unless he visits Pushkar even if he has visited all the pilgrim centres. There is a danger to the sarovar of Pushkar of being covered by sands. The desert is marching towards Delhi, Haryana, Uttar Pradesh and all the remaining area will be converted into desert like that of Western Rajasthan. With these words I support the Bill and convey my thanks to you for giving me an opportunity to speak.

SHRI MANOJ PANDEY (Bettiah): Mr. Chairman, Sir, I rise to support the Finance Bill, 1987. I would also like to convey my heartfelt thanks to the hon. Prime Minister who has decided to constitute a Board in this financial year for agricultural labourers about whom all the Members have

spoken. This is a most welcome step Mr. Chairman, Sir, you had been with us at the Hyderabad Institute. We had undertaken a lot of discussion on issues pertaining to the agricultural labour. It is a matter of pleasure that our Government has recognised the need and has decided to set up a commission for this purpose. Massive allocation has been made this year for anti poverty programmes. You might be knowing as to what is the concept of anti poverty programme. This is a very important question and it needs consideration in depth. The Government allocates funds and it should be used judiciously. It should not be that after allocating funds, one think that the entire fund is being utilised properly. It should be taken in a different way. Another important question pertains to the Waste Land Development Programme. Our Government proposes to spend a huge amount on this programme. Out of 330 million hectares of land in the country, as much as 175 million hectares of land is wasteland. Such a large area of land comes under waste land. Our population will increase to about 100 crores by 2000 A.D. and as much as 242 million tonnes of food would be needed to feed them. Every one knows that we have produced only 151 million tonnes of foodgrains. Of course, it is a record in itself.

15.00 hrs.

At present we are cultivating in 50 million hectares of land with assured irrigation facilities, but for the population which will be there in the country after 13 to 14 years, it would not be possible to produce 242 million tonnes of foodgrains in this 50 million hectares of land. The Government has understood the situation and huge sums are being spent on it. This is also a matter of pleasure. We should provide irrigation facilities in the wasteland and make it a cultivable land. Only then we will be able to meet our requirements of foodgrains which will be needed after 14 years. We should start work in this direction more vigorously so that the wasteland is turned into a cultivable land after 14 years. We have to take such steps so that the future

[Shri Manoj Pandey]

generations may not say that we have not left anything for them. This was a very important question and the Government of India has decided to consider it in a proper manner. It is a welcome step. A lot of discussion has taken place on land reforms. We know the importance of land reforms. Now I would like to submit about land ceiling. If we try to make land holding uneconomical and unviable in the idea of becoming progressive in the name of land ceiling, it will adversely affect our agricultural production. Some Members want to reduce the size of land holdings, but this is their one sided plea. It will be disastrous to reduce the size of land holding and it will not prove economical. This subject should be discussed separately. This is a very important question. The issue of land holding should be discussed here and there should be general consensus that land holding will not be reduced beyond a certain limit. A programme to clean the Ganges on a massive scale has been started. This is a very good idea. For this I would like to congratulate the Hon. Prime Minister for launching such a massive programme. Some bunglings have taken place in it. The speed at which the work is going on in Patna to which I belong should be accelerated a little bit. Some irregularities have taken place, but I think these are of technical nature which is beyond our comprehension. But how far it is justified that we only act upon the advice of experts. If we continue doing this, our huge amount will go waste. There are no two opinions about it that we agree to the advice of technical experts, but it will be a one sided decision if we invest money on some venture only on their advice, because there are many things which are based on common experience. It is essential to run those ventures in a proper and smooth way. We are optimist and we are hopeful and we think that certain work is going on smoothly, but there is sufficient scope to take up many other works in it. Many schemes are yet to be undertaken. For example take the case of Ganges. When floods occur, the water of the Ganges gets polluted. We have

started a scheme to clean the Ganges, but even if we clean the Ganges, effluents will flow into it during rainy season. Unless we take steps to check it, we will have to clean it again and again, because effluents will go on flowing into it. This is a continuous process. The more you invest money in it, even more you will need to invest in it. There are some points which need our serious attention.

A lot of discussion has taken place in the House on fertilizers. Some time back a lot of discussion had taken place and it is a fact that we are self sufficient in the matter of fertilizers. So far as the question of nitrogenous fertilizers are concerned, we are able to produce it in our country to meet our full requirements. Whereas this is a good achievement, but we are short of phosphates to meet our requirement and we will have to import it from other countries. We confront with this question. Phosphate deposits have been located in Rajasthan and at several places, phosphate can be exploited. It is my submission that we should confine our exercise of exploration to those places only where we may get more and more quantity of phosphate. Exploration work may also be carried out at places where more and more quantities of potassium could be located. Only then we can march towards self-reliance in the real sense.

15.07 hrs.

[Shri SOMNATH RATH *in the Chair*]

It is a very important question that confronts us. It is not only a question for today, but also a question for the generations to come. We would have to seriously think as to how we can achieve self-reliance in every field of agriculture at the earliest. We have to make full preparations for the same. Our hon. Minister is himself a farmer. I know him personally and he used to give good information on agriculture in this House when he was not a Minister.

Now I want to say a few words about the Sugar Mills. As a matter of fact we have

formulated new sugar policy and our sugar factories have done a very good work. Whether the sugar factories are in the co-operative sector or Private sector, all of them have made a good progress. However, most of our sugar mills are in the private sector and their number is very less in the public sector. If we compare the performance of sugar mills in the public sector with that of the sugar mills in the private sector, a very disappointing picture is presented before us. Our mills can on no account compete with them, because they are passing through such a situation. Today the co-operative sector is at the top and it gives me much pleasure that the farmers have done a very commendable work in the co-operative sector in Maharashtra. But the condition of all sugar mills in our co-operative sector is very deplorable. There are 14 sugar mills in Bihar which are under the control of Bihar Sugar Development Corporation. All of them have done a very good work during the last two years, but I am of the opinion that we can make a lot of import substitution through sugar industry. Our hon. Minister himself discussed this thing in the House a few days ago and I want to repeat the same thing today. The hon. Minister may recollect that he had once said about the production of alcohol here and there was a discussion to run carburetors by mixing alcohol and petrol. We should give thought to this matter. While supporting his views, he himself had expressed such views. He himself is a very experienced person. I feel that there should be more such discussions and if we can produce gasohol whereby carburetors of gasolin plus alcohol in place of gasolin could be manufactured, we will be able to save large quantities of petrol. The agriculture sector can assist the Government of India in a very big way for its substitution. There can be more and more substitutions of this kind. Sir, I had said this thing last time also. As a matter of fact it is a Finance Bill, but what I feel is that the agriculture sector plays a very important role and when we talk of anything, agriculture gets a top place in it. If you extract oil from maize for the purpose of

import substitution, it will benefit the country. There are several places in north India where the production of maize has increased a lot. As it is, maize is produced in South, but it is some what more in the north. I am of the view that if we exclude maize from the category of cereals and include it in oil-seeds and can provide more and more funds for encouraging the production of maize, which we are giving to oil seeds, it is most probably that we may not be required to purchase the oil that we are importing from abroad. We can produce oil by having more yield of maize than the production of oil which we are having from oil seeds. Therefore, maize may be excluded from the category of cereals and include it in the category of oil seeds. As a matter of fact most of the people consume wheat, gram, barley and millet. People consume maize also and the number of people consuming maize is less. It is my suggestion. You may please consider this suggestion also.

Sir, the most important thing is that there have been extensive discussion on the public sector, private sector, industrial growth rate and G.N.P. etc. in this House today. After listening to all these speeches, I would like to say this much only that we have the confidence in the public sector. Everybody knows it. Our Hon. Prime Minister has launched a number of such programmes which have brought about improvements in the public sector, but still a lot of improvements are to be done. It will be done gradually. What I want to say is that it is necessary to pay more attention towards the public sector even today so that we may keep the management in order. Unfortunately it has been my experience with the I.D.P.L. that it has always suffered losses. I had also raised an half an hour discussion in this House about the I.D.P.L. Sir, it has already suffered a loss of Rs. 200 crores and this money belongs to the Government of India. Whatever funds the Government of India provided towards loan and margin money to this company,

[Shri Manoj Pandey]

has been lost by this company. Entire amount of Rs. 200 crores has been lost by it. If the losses go on increasing in the public sector and they get funds from the Government of India saying that they are taking this money in order to reduce the loss and increase production, then I am of the view that these public sector units will only suffer losses and nothing else, because a very big conspiracy is being hatched in it.

People from the private sector have been intruding in the public sector. This thing I am saying with full responsibility. We have no objection if people from private sector are brought to public sector. They should be brought. But we should bring only good people in the public sector from the private sector. Those people, who have other interests should not be brought there.

I would like to submit that people having other interests have entered the I.D.P.L. at the higher level who are more interested in the private sector than the I.D.P.L. They were efficient in the private sector. They had some other affiliation and the affiliation which they had 3 to 4 years ago continues to be there even after their joining the public sector. If you induct such people in the public sector and go on handing over them money, we will be going on making experiments. We do not have unlimited money which we may go on giving them and they on their part make lavish spending. It is a very serious question. It is necessary to give serious thought to it.

I have just given an example of the I.D.P.L. There are more such instances in the public sector. Now I would like to cite the example of the Hindustan Paper Corporation. Two factories in Nagaland have been closed down. You say that there are some latest technologies. We need no more technologies. You have got the technology, money, manpower and raw-material. I want to know as to why you are incurring losses in spite of all these things.

Whereas the private sector earns profit with the same technology, same labour and manpower.

I would like to submit that I am not an economist and neither I have any idea about the Industry. I belong to some other field. I am a lay-man and I will think in terms of a lay-man only. I want to say that if a bus-owner can purchase three additional buses after earning the profit from the one bus for one year only, then why the state owned undertakings like State Transport Corporations and D.T.C. suffer losses? How do the private people earn profit when the conditions are same. It is my submission that action should be taken against these people and this requires radical change.

The public sector has sought Rs. 37,500 crores during the Seventh Five Year Plan which is their requirement. If we do not get an amount to the tune of approximately Rs. 40,000 crores, our position is likely to deteriorate in the Eighth Five Year Plan also

There is mismanagement in the public sector. The public sector has always thought about the people's future which the private sector people have never thought. The most unfortunate thing in our country is that whether it is the press or other things, all of them are under the control of the private sector who undertake sale and purchase of things from dawn to dusk.

When we talk about the performance of the public sector, we have to accept the fact that the public sector has done a good job. But there are some people in the public sector about whom a watch has to be kept. These are the people who try to fulfill the interests of the private sector in the public sector. You should always be careful of such people. I would like to submit that the Government should pay more attention towards such people.

Mr. Chairman, Sir, I must say a few words about Bihar. The per-capita income in Bihar is the lowest of all the states. I admit that our per-capita income is Rs. 642. This matter was taken up in the meet-

ing of the planning commission also which was held recently and there is a need to pay attention towards it. The facilities, which are available in other places are not available in Bihar. It is my submission that the hon. Minister should pay his attention towards it, because he belongs to our neighbouring area. Efforts should be made to increase per-capita income in Bihar.

The per capita income in Chhota Nagpur area is also very low. Sir, attention should be paid towards it also.

It is very essential to launch another Flood Control Programme especially for Bihar and eastern Uttar Pradesh. If it is not undertaken as a permanent measure, we will continue to suffer from this havoc every year.

I express my thanks to you for giving me time.

SHRIMATI USHA VERMA (Kheri): Mr. Chairman, Sir, I rise to support the Budget and Finance Bill presented by the Hon. Prime Minister. The Government of Hon. Prime Minister Shri Rajiv Gandhi deserves our thanks, because of the presentation of the Budget by Shri Rajiv Gandhi, it has been possible to have a check over prices and there has been improvement in the country's economy. Within a couple of months it has become quite clear that the people who criticised the economic policies and programmes of the Government were having wrong conceptions.

The Prime Minister has taken several important steps in order to check price rise and he had mentioned the gist of the same in his Budget speech. As a result of this, there has been some stability in the prices of all commodities and this has aroused a sense of confidence among the buyers and sellers in the market. As a result of effective steps, the rate of inflation has gone down. A prior indication to this was already made in the Budget speech of the Hon. Prime Minister.

The most important thing is that the Prime Minister has drawn the attention of the Government towards the welfare of the weakest sections of the society. The policies and programmes of the Prime Minister are fulfilling a number of objectives simultaneously which are very necessary for the development of the country. The Prime Minister has done a commendable job when he allocated maximum fund for removing poverty and spread of education, in the Budget. Expansion of education is necessary to strike at the root of poverty and disparity. The whole country expects from the Prime Minister that the vocationalisation of education will be got completed this year. The funds provided for programmes regarding removal of poverty and spread of education should be utilised effectively. There is a need to bring about a radical change in the Government machinery, pattern of bureaucracy, their attitude and style of functioning for this. Those people must get the benefits of these programmes, for whom these have been formulated. New effective methods will have to be sorted out so that the allocated funds are not misused and it does not benefit wrong persons.

Attention should be paid towards more and more expansion of education in rural areas. Presently professional and non-professional education is concentrated in the urban areas only. In the absence of education the mental development of children does not take place in villages. It is a commendable work of the Prime Minister that he has made a provision of Rs. 800 crores for propagation and expansion of education and for making the New Education Policy a success.

"Operation Black Board" is a very important step. It is my request that there should be a primary and a middle school in every village and there must be provision for building, teachers and black boards for every school. Today the condition of schools in rural areas is such that the

[Shrimati Usha Verma]

school buildings are in dilapidated condition. There are no teachers and not even black boards. It is my request to the hon. Minister that the history of our independence should be introduced in our schools so that the coming generations could know as to how this country achieved independence. Technical education should also be provided in the rural areas.

Rural industries should be encouraged. In this country of Mahatma Gandhi, the cottage industries are being almost murdered. People are not even able to earn their livelihood with the occupation of handicrafts. Rural people are migrating to cities, because now agriculture is no more profitable. Therefore, it is necessary to make agriculture a profitable occupation. It would be a great misfortune of our coming generation if rural economy and civilization is eliminated in our country.

Though ours is an agricultural country, yet our farmers have to face so many difficulties, because they do not get electricity, fertilizer and water in time and they also do not get remunerative price of their produce. In agricultural sector, we should pay special attention towards the production of oil-seeds and pulses. For the production of these products water, electricity and fertilizer should be provided to the farmers at reduced rates so that even a small farmer may also produce these things easily. Apart from this, the small farmers should also get concession on tractors so that they may also think about the purchase of tractor. In terai region, there is large scale production of sugarcane, but the farmers do not get reasonable price of it. The support price of sugarcane is not declared in time as a result of which the crushers set up even by the Government do not pay reasonable price of sugarcane and purchase it at a very cheap rates from the farmers. Therefore, I would request the hon. Minister that there should be uniformity of rates of sugarcane procured by the crusher and the mill so that farmers may not face any difficulty.

Mr. Chairman, Sir, in this International year of Shelter for the homeless, a National Housing Bank is being established with a capital of Rs. 100 crores. I request the Government that this Bank should be established immediately so that people belonging to the economically weaker section of the society could be benefited.

I would like to draw the attention of the Hon. Prime Minister towards my area-Lakheempur Kheri which is a backward agricultural area. There is a great need to set up an Agriculture University there in my district. In this area a factory of chemical fertilizer, paper mill and a factory of heavy industry should be set up so the people of that area may get employment opportunities and this area may also be developed.

I also would like to draw the attention of the Government towards announcement which was made regarding erection of a T.V. tower in my district in 1987, that announcement should be implemented immediately so that Government schemes may be publicised and people may get benefits of them and this area may also be connected with other parts of the country through T.V. network.

In rural areas, the widows and destitute old women are facing starvation and they do not get alms also. The destitute widows and old ladies either do not get pension or if they get, they get a very negligible amount as pension. The amount of pension should be increased by fourfold, so that destitute old women and widows do not face starvation.

I would like to draw the attention of the Hon. Prime Minister towards the problems of freedom fighters, because today we are sitting here because of their sacrifices. The amount of pension being given to freedom fighters should be increased from Rs. 500 to Rs. 750 per month. Lakhs of our freedom fighter have been running from pillar to

post for the last several years to get pension I, therefore, request you that their pension cases should be settled immediately Unwillingness is shown in granting pension to the widows of freedom fighters and they are also not getting free railway passes Therefore, pension should be granted to widows of freedom fighters and free railway passes should also be given to them Pension should also be granted to those national leaders who have not applied for pension There are a large number of such cases with the Home Minister These cases should be decided immediately

I once again would like to congratulate the Hon Prime Minister for his concrete programmes and progressive policies I also would like to thank you for giving me time to speak

SHRI RAM SAMUJHWANI (Saidpur)
Mr Chairman, Sir, I am thankful to you for giving me time to speak The Hon Prime Minister who is also looking after the Finance Ministry and has introduced the Budget, also deserves our congratulations

Today our country is making progress in all fields and for this, efforts are being made to implement the plan very carefully for which I would like to congratulate the Hon. Prime Minister As some other hon Members have stated that allocation of funds and other development programmes should be formulated for all the states according to their population

[*English*]

MR. CHAIRMAN. The hon Member will continue on the next occasion. Now we have to take up the Private Members' Business.

15.31 hrs.

COMMITTEE ON PRIVATE MEMBERS' BILLS AND RESOLUTIONS

[*English*]

Thirty-fifth Report

SHRI R.P. SUMAN (Akbarpur): Sir, I beg to move:

"That this House do agree with the Thirty-fifth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 29th April, 1987."

MR. CHAIRMAN: The question is:

"That this House do agree with the Thirty-fifth Report of the Committee on Private Members' Bills and Resolutions presented to the House on the 29th April, 1987."

The motion was adopted.

15.32 hrs.

RESOLUTION RE: MEASURES FOR UPLIFTMENT OF TRIBAL PEOPLE
—*Contd*

MR. CHAIRMAN: The House will now resume discussion on the Resolution moved by Shri Dileep Singh Bhuria on the 16th April, 1987.

Shri Dileep Singh Bhuria to continue his speech.

[*Translation*]

SHRI DILEEP SINGH BHURIA (Jhabua): Mr. Chairman, Sir, I would like to explain the objectives of the resolution which I have moved in the House. In India,