

eight Report of the Business Advisory Committee presented to the House on the 22nd August, 1988."

MR. SPEAKER: The question is.

"That this House do agree with the Fifty-eighth Report of the Business Advisory Committee presented to the House on the 22nd August, 1988."

The motion was adopted.

12.14 hrs.

SUPPLEMENTARY DEMANDS FOR GRANTS (GENERAL), 1988-89 CONTD.

[English]

MR. SPEAKER: We will be to the next time—Further Discussion and Voting on the Supplementary Demands for Grants (General).

Shri Amal Datta to continue.

SHRI AMAL DATTA (Diamond Harbour): Sir, yesterday, I started to speak on the Supplementary Demands for Grants and in my introductory remarks, I had pointed out the futility of most of the supplementary demands we have passed so far. And this comes out of the examination of the Supplementary Demands and the Demands as a whole by the Public Accounts Committee over the last three years, as consecutively reported by that Committee that the budgeting procedure of the Government is very deficient.

Sir, I do not know which Minister I am addressing.

PROF. MADHU DANDAVATE (Rajapur): Everyone in general, no-one in particular (*Interruptions*)

SHRI AMAL DATTA: What is happening. There is no Minister. (*Interruptions*). Is Shri A.K. Panja substituting Mr. B.K.

Gadhvi?

PROF. MADHU DANDAVATE: He should substitute himself!

SHRIAMAL DATTA: This is the general position with regard to Government budgeting. There is no monitoring mechanism. There is lack of coordination between the Government departments. This is the style of functioning of the Government itself.

There are certain items on which I will not speak because I do not think there is much time left. Somehow or the other, so little time is devoted to this.

Rs. 627.64 crores is to be spent on non-Plan expenditure for maintenance of value of payments to IMF in the form of rupee securities. What does it mean? It means that the value of rupee has fallen. As a result, we have to spend more rupees to keep up our contribution to the IMF in terms of IMF's own standards. Why has this happened? It is because of the Government's policy of allowing indiscriminate import of capital goods and durable consumer goods directly and indirectly, indirectly because in pursuance of the Government's policy by allowing the richer section, the elite section of the society to enjoy all the luxuries that such people elsewhere in the world are enjoying.

12.16 hrs.

[MR. DEPUTY SPEAKER *in the chair*]

They are allowing these imports in the form of components to be assembled in India for the enjoyment of the very small section, miniscule section of the Indian population. But it is draining hundreds of thousands of crores of rupees from our exchequer and, therefore, our value of the rupees is decreasing which the Government is unable to fill up or even keep at that level in which it was in 1984 when this Government took office, because of the non-pursuit or lack of success of its policies in the field of getting the capital receipts from non-resident Indians in the form of bank deposits which is dwindling

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and also the non-fulfilment of its plans for increasing income from tourist traffic. As a result, the Indian rupee's value is falling. Indian trade gap and the balance of payments is becoming more and more adverse, the foreign exchange reserve is at a record low. The somewhat legitimate estimates of our Government flow of foreign exchange is also being assisted by the further flow of our exchange in an illegitimate fashion in various ways by the Government's people who are patronised to the Government and also by other various deals and scandals, which the Parliament has been discussing for the last one year or so, the Bofors deal, the submarine deals and various other deals. On this account also, hundreds of crores of rupees, all these scandals put together including the Prime Minister's frequent visits abroad, hundreds of crores of rupees are flowing out. As a result, the balance of payments position is becoming more and more precarious. So, the Government's style of functioning, the Government's own objectives, the methodology and its policies are responsible for this particular amount which is to be provided for now under the terms of IMF.

Another big item in the Budget is the Rs.440 crores being given to Punjab. This item is provided by this "Other expenditure relating to Punjab." Rs.440 crores is on account of Plan Expenditure and Rs. 78.67 crores on account of Non-Plan Expenditure. I have no quarrel with it. The munificence of the Central Government in this particular case of Punjab is very creditable. They should go on doing it. But, should they not think of other States in this context also? The Minister will kindly explain or kindly enlighten us as to what is the amount of expenditure being made to the State of Punjab and in comparison what is being made to the other States. Somehow or the other, it appears to me to be a reward for the type of agitation which is going on in Punjab and I would only say that if this is the kind of reward which the Government is going to give, then are they not going to encourage the same type of political agitation in other States? So, this

matter, I am throwing to the Government to think further...

SHRI MURLI DEORA (Bombay South):
Are you against the allocation to Punjab?

SHRI AMAL DATTA: No, I am saying that a date should not be given. I am not taking any notice of what Shri Murli Deora is saying.

SHRI MURLI DEORA: I cannot mislead you at all. (*Interruptions*)

MR. DEPUTY SPEAKER: When his time comes, let him say.

SHRI AMAL DATTA: Sir, I am sure that the money which should be spent in Punjab will be well-spent but again I will warn the Government that the way the activities are being carried on in Punjab, there is a likelihood of the money going into the wrong hands. They should properly safeguard against this.

Sir, one item of expenditure of Rs. 30 crores is for Delhi. What is the actual item? It is grant to the Municipal Corporation of Delhi for maintenance of resettlement colonies transferred from DDA to the Corporation with effect from 1.6.88. I would like to be enlightened, because I am so ignorant about this matter, as to why this particular item of expenditure could not be provided for in the original Budget grants? This particular amount was settled between those two organisations and approved by the Delhi Administration long ago. This money was not spent at that time when it was supposed to be spent, when the cholera epidemic has taken place in Delhi. The toll of cholera epidemic has been untold in terms of suffering and in terms of death, it has exceeded the 300 no. That is the Government's figure. So it is because of the lack of fore-sight of the Minister — may be this Minister or that Minister. But he has to bear the burden now... (*Interruptions*) Because of the lack of fore-sight, we did not know it at that time when the cholera epidemic discussion was going on in this House. They had not pro-

vided for the funds. They had only thought of it. They discussed it. They have agreed upon it. But the funds had not been provided. So, no remedial action could be taken. The Municipal services absolutely stopped for the period prior to the transfer of these colonies from DDA to the Corporation and as well as after that. Only they have taken action after the cholera epidemic has started taking its toll.

Sir, the other expenditure which requires some enlightenment from the hon. Minister is about Rs. 31.5 crores allocation to the U.P. Government for the Tehri Project. Apparently, the Central Government has given a loan to the U.P. Government, part of which is being now converted into equity capital.

SHRI RAM PYARE PANIKA (Robertsganj): That is wrong? That is a backward area. *(Interruptions)*

SHRI AMAL DATTA: I have not objected to that. All that I want to submit is...

PROF. MADHU DANAVATE (Rajapur): Take it up before the Public Accounts Committee. *(Interruptions)*

SHRI AMAL DATTA: The confused Minister has come now. He will create confusion further. I am not objecting to this. I am only saying that here, again, is the question of discriminatory treatment of the Central Government. The Central Government can give to the U.P. Government this grant, but when it comes to the question of West Bengal, there is no question of any grant; when it comes to the question of Kerala, there is no grant; when it comes to the question of Karnataka or Andhra Pradesh, there is no grant. Because they are Opposition-ruled States, they get a step-motherly treatment from the Central Government. This is what I am objecting to. Can the Minister give us figures to show that they have given a similar treatment, similar loans conversion to equity, in the case of any other State project? *(Interruptions)*

Sir, can Mr. Panja substitute for Mr. Gadhvi when Mr. Gadhvi is present in the House? It is not possible. Please have a look at the list of business. Who is to present the Budget? *(Interruptions)*

MR. DEPUTY SPEAKER: Mr. Panja is duly authorised already.

SHRI AMAL DATTA: Mr. Gadhvi is now present in the House. Why does he want Mr. Panja to do it? *(Interruptions)*

MR. DEPUTY SPEAKER: He has authorised Mr. Panja. When he is authorised, he is in-charge.

THE MINISTER OF STATE IN THE DEPARTMENT OF REVENUE IN THE MINISTRY OF FINANCE (SHRI A.K. PANJA): The hon. Member is my friend and he likes my face, I think. *(Interruptions)*

SHRI SOMNATH CHATTERJEE (Bolpur): But why should you hold his baby?

SHRI AMAL DATTA: When he is present here, why should he not do it himself? *(Interruptions)*

MR. DEPUTY SPEAKER: Order, Order.

SHRI AMAL DATTA: Who will reply to the debate?

SHRI A.K. PANJA: I will do.

SHRI AMAL DATTA: Then why does Mr. Gadhvi's name appear in the list of business?

SHRI A.K. PANJA: Mr. Gadhvi was attending to his business in the Rajya Sabha. Now he is slightly free. So, he has come to assist me.

SHRI AMAL DATTA: He is assisting you! Then, you should have taken care to see that the name of Mr. Panja appears in the list of business and not of Mr. Gadhvi.

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B.K. GADHVI): It will take years for Mr. Datta to understand the administrative adjustments. *(Interruptions)*

PROF. MADHU DANDAVATE: That is compositor's mistake. They all represent the Prime Minister.

SHRI AMAL DATTA: What I was saying was this. I would like to have examples of the Government's munificence which they have shown in regard to Punjab in regard to U.P. with reference to the Opposition-ruled States. With reference to the Opposition-ruled States, please show us that you have given this amount of money to any Opposition-ruled State as you are giving to Punjab and to U.P., for the same type of projects. *(Interruptions)*

MR. DEPUTY SPEAKER: Please wind up.

SHRI AMAL DATTA: I think, the Government is now leading the country into a debt trap, an external debt trap and also an internal debt trap. This is a very unfortunate situation in the country that he is facing. This Government's life is not long. It may be another one year or so. Then in the next elections it will be defeated, and the next government will be left with all this debt burden. This Government is going on in this reckless manner in creating debts, in throwing money here and there; and its style of functioning is such. I have given the example of the Prime Minister's visits abroad where he has spent money lavishly. We have got, only the other day, the answer to a Parliamentary question that Rs. 2.80 crores were spent on plane fare. The Air India says that they have not made any loss because this money, they got from the Government. That means, the Government has spent Rs. 2.80 crores on air-fare only. What about the other expenditure? On a similar occasion I have asked for the total expenditure on the Prime Minister's tour and they have never given that. Sometimes they say even that it relates

to an individual. I have not named Mr. Rajiv Gandhi as the Prime Minister. Even then, that kind of an answer has come. I would like the Minister to say that at least so far as this visit is concerned or even the earlier visits of the Prime Minister, to give us the totality of expenditure incurred by the various agencies of the Government which have assisted in organising tours. How much they have spent on that and you show, by this style of functioning, how much this country is losing?

[Translation]

SHRI AZIZ QURESHI (Satna): Mr. Deputy Speaker, sir, I rise to support the supplementary demands for grants. In the first batch a demand of about Rs. 668 crores has been made and about Rs. 925 crores have been asked for in respect of technical demands.

Demand No. 1 is in respect of agriculture. We are grateful to the Government that they have allocated a sum of Rs. 56.50 lakhs for National Agricultural Cooperative Marketing Federation in the form of support operation for giving assistance for oil-seeds. Moreover I congratulate the Government for allocating an amount of Rs. 44.46 crores to evaluate the implementation work.

An allocation has been made for the selected districts of the States under the special Foodgrain Production Programme in this very demand. I would urge the administration to increase the number of districts and give adequate consideration to the people living below the poverty-line, Adivasies, Harijans and backward classes as well to the number of the unemployed people while determining a district for the purpose. The administration should pay special attention towards this aspect. There should not be any other influence, political or otherwise to determine such districts. The number of such districts of Madhya Pradesh should be raised which are backward like Baghelkhand and Vindhya Pradesh and maximum funds should be provided for them.

Another issue is related to fisheries. It is quite unfortunate that we could not achieve fisheries development in this country to the desired extent. If the Government pays a little attention to this issue, the problem of unemployment can be rooted out through carrying out programme for development of fisheries. Not only this even the quantity of foodgrains can be increased which would ultimately solve our food problem.

I would like to remind the Government that Fisheries Development Corporation was set up in every state under the guidelines provided by the Central Government. According to that programme, fisheries whether inland or marine fisheries should have developed a lot in every State. Both types of fisheries had to be developed. But unfortunately, all these corporations failed one by one. Wherever corporation succeed, bureaucrats put obstacles. I would like to cite an example. Madhya Pradesh Fisheries Development Corporation was earning profit. Madhya Pradesh is a place where only inland water fisheries could be developed as there is no sea and it is a major supplier of the same to feed Calcutta and Howrah markets. The corporation was running in profit there and the main thing was that the middle-man and contractors were removed. Only the fishermen and the corporation combined were doing the whole work. But in between 1985-87, the then I.A.S. Secretary of fisheries in Madhya Pradesh, who was a Raja of a princely state in collaboration with the managing director of the corporation, destroyed the corporation. No action has been taken against them till now. It is unfortunate that the corporation, where — from contractors and middle-men were removed, is now a centre of corruption and the I.A.S. officers posted there are responsible for it. These officers took this corporation as their own property and handed over it again in the hands of the contractors. In spite of repeated requests, no action has been taken against them. The Central Government has posted these officers in Delhi on deputation. The Government should probe these serious allegations. Strict actions should be taken against such corrupt officials, who work

against the policies and the principles of the Government. Strict actions should be taken against the then Secretary and Managing Director of the Corporation to make good the loss incurred by the corporation.

I fully appreciate the working of the Central Institute of Fisheries. This Institute has contributed to a great deal. The officers posted there deserve appreciation. Through this Institute, they have helped the people a great deal in the country.

In demand no. 4, refers to rural development. I would like to submit that the monitoring agencies for I.R.D.P., N.R.E.P. and other development programmes for the poor, unemployed and rural people should be formed by the Central Government because the Members of Parliament have got no say in these programmes. The central Government should evolve a new policy to enable the M.Ps to have more involvement in these programmes. They should have the rights to do something for the starving and the poor people. They should have their say so that they may actively participate to get the programmes implemented properly.

In demand no. 20, refers to power. In this connection, I would like to submit that the Central Government should get it examined as to why the implementation of R.E.C. scheme, sanctioned 10-15 years ago has not been completed yet. The hon. Minister of Power is present here. I want to bring this to his notice also. I got the opportunity of being the minister of irrigation and power in Madhya Pradesh. I had sanctioned the R.E.C. scheme for 'Ichhawar' in 1974. Nearly 134 villages were to be electrified and out of these most of the villages were dominated by the scheduled castes and backward classes. It is unfortunate that electrification was done in all the villages of rich farmers but a 1/3 villages of Harijans were left. The scheme has not yet been completed though a long period of 15 years has passed. I urge that you should examine and get the work completed in the 'Ichhawar' block in Sihor district of Madhya Pradesh. Responsibility should be fixed for not completing the

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work and it should also be seen that for what reasons and for whose negligence, the scheme has not been completed? I urge that this work should be completed immediately.

Demand No.23, refers to external affairs. I would like to submit one thing. I had asked a question but didn't get the reply. It should be enquired as to how much property has been bought by our embassies and ambassadors in African, Asian and backward countries and how much in European and American countries. In my view, many of the foreign services personnel don't want to go in these backward African countries. The Government should find out the reasons for not buying property in these countries. The Government should pay attention to it.

I support demand no. 29, and appreciate the Government for allocating Rs.30 crores for the development of Golden Temple complex. The Government should provide if more funds are needed for this work. The Golden Temple complex should be developed in accordance with the feelings of the people of Punjab.

I support the allocation of Rs.10 crores for police housing schemes and I am of the view that more funds should be provided if needed.

Demand number 68 is related to Department of Mines. In my constituency, there are some mines of lime stone which are linked with the Bokaro Steel Plant. I am raising this matter for the last three years. It is unfortunate that two types of wages are paid in a Central Government Undertaking. One is paid directly by the officials of the mines, and the other is paid to the contractors instead to that of labourers, who were employed by the contractors and brokers. If the fixed wage is Rs. 40, then those labourers are paid half the wage. I have raised the matter many times, but it is unfortunate and shameful that we make tall claims and give big assurances, but in a Government concern we adopt dual wages system and put the labourers to exploitation and injustice.

Whenever I go to my constituency, I feel ashamed, when the labourers ask that why contractors give them only twenty rupees, when they get rupees forty as wages. This should be stopped immediately.

In the end, I would like to say something about demand number 89, which is related to Delhi. What happened in Delhi? People died of cholera and suffered from other diseases. We must be sorry for that. Leave the trans-Yamuna area, you have allocated funds to N.D.M.C. also. I want that the hon. Minister and some responsible persons should go to the Connaught Place and see the slums there. One is ashamed to see the slum between the Connaught Place, Janpath and Curzon Road. This place is not worth living. N.D.M.C. employees had cut the trees, blocked the sewerage and constructed a building there in a totally wrong way. It is a matter of surprise that in the capital of India, no one is there to stop such activities. 25-30 years old trees were cut and building was constructed, but nobody checked it. What are the reasons for not taking action against such activities?

In the same way, water supplied by the N.D.M.C. to the houses of Members of Parliament contains dirt and soil. It is not known, what is the fate of the common man. I want that the Government should take strong actions against the N.D.M.C. As the Hon. Prime Minister himself gave instructions to take strong action against the Delhi Municipality Corporation and Delhi Administration and to provide relief to the people, the same way strong action should be taken against N.D.M.C.

You have rang the bell six times. With these words, I support the demands but in the end, I would like to submit that the Government started Vayudoot service for coming in power and after elections, it was stopped. I want to know why this injustice has been done. People are very much agitated. The Government should pay attention to it.

Likewise, an assurance is being given

for last three years to set up a T.V. station in Satna and start the work this year itself, but no work has so far been started. It is alright, if it is started now, but its fate will go uncertain with the coming of the next Parliament. So I urge that the T.V. station should be started there.

With these words, I conclude.

[*English*]

PROF. MADHU DANDAVATE (Rajapur): Mr. Deputy Speaker, the first batch of supplementary demands involved a net expenditure of Rs. 668 crores. Besides this, the technical supplementary grants amounted to Rs. 925 crores. But, of course, they do not involve net cash outgo because there will be balance by additional receipts and also the corresponding savings. But I take these supplementary demands debate as an opportunity to all of us to focus the attention of the House on the financial as well as administrative performance of the concerned Ministries for which the demands are being made. It is exactly that which I would like to undertake in the brief observations

As far as the demands of Ministry of Finance are concerned, they are for payments to financial institutions. Since this is the subject, I would like to point out to you certain important aspects related to financial institutions which have created lot of problems for us. Sir, when the Minister comes forward with certain demands for grants, he must give us an evidence that the Ministry is functioning in such a manner that they deserve demands to be sanctioned. But unfortunately that is not so. We are already involved in a debt trap. If you look at all the documents that have been submitted to us, the external debt service charge has come to Rs. 2,080 crores. It means the debt service ratio is about 24 per cent. If the debt service ratio is 24 per cent, it means that one-fourth of our total earnings are utilised merely to pay back the loans which we have taken. Now this is the great drain. Further, if you look at the domestic borrowings, the position is still

worse. As far as domestic borrowings are concerned, 70 per cent of new domestic borrowings are spent on repayment of the old domestic borrowings. It is a strange situation. Seventy per cent of the new borrowings are to be utilised to pay back the old domestic borrowings. That is how we are completely in a debt trap and that is how our economy has become almost insolvent.

In this connection, I would like to draw your attention to the fact that the World Bank has already produced a report. And an international financial institution says in this report— and which has been confirmed by the former Finance Minister — that in a single Swiss bank, the amount of money that has been lying idle is Rs. 1,632 crores of those who have indulged in FERA violations and those who have sent the money out, instead of that money being utilised for capital development activities in this country. Rs. 1,632 crores are lying idle in a single Swiss bank. One does not know as far as other banks in other countries are concerned, what is the position. But this is what has been confirmed by the World Bank and the former Finance Minister. And when I referred to this in one of the debates, it was not contradicted by the existing Finance Minister at all. Now such a big amount is there, so many FERA violations, amount getting locked up, so much of corruption in high places!

Sir, corruption issue, we had been raising not as a moral issue. Corruption issue is raised in the economic context of the problems of the people. Due to the economic problems, the people suffer and economy has remained stagnant because large amounts are locked up due to corruption in high places and they are lying in foreign banks. That is why we have been raising this issue. If we have raised the question on Bofors, it is not that we have particular allergy for a particular Minister. The question is that corruption in high places is actually ruining our entire economy. FERA violations are responsible for taking our entire amount outside our country and that amount is getting locked up in the foreign countries. In this connection, I would like to pose a question

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that is it not a fact that the Government of Switzerland have already publicly announced that they are prepared to help India and Sweden in making thorough investigations into the irregularities that are involved in Bofors. But I still do not understand why this particular offer by the Swiss Government has not been accepted because they are in the know of a number of bank accounts of those who have taken commissions or kickbacks. All these kickbacks or winding up charges or bribery or corruption, all these accounts having operated through Swiss banks, they are fully in the know of all the details. Therefore, I fail to understand why they are not trying to take the assistance or the offer of Swiss Government when they are prepared to make the necessary assistance in this connection.

There are Demands for Grants on Page 5 regarding the Ministry of Communications. Mr. Indrajit Gupta has raised a question. While we are discussing the Demands of the Communications Ministry, I would strongly plead with the Government, that as far as the employees of the Communications Department are concerned, they are having a prolonged agitation. As a result of that, the net output of work is suffering a lot and I am surprised why the Government is not taking cognizance of their legitimate demands. If at the proper time, we do not take cognizance of the legitimate demands of the Communications Department employees, I will not be surprised if at some stage the entire system comes to a halt. Therefore, I utilise this opportunity to make a request to the hon. Minister that this particular aspect should be looked into.

There is another aspect. A very important dignitary has publicly said that large sophisticated equipment has been imported in this country and that is being utilised to violate the citizens right to privacy. An allegation has been made that sophisticated imported machinery has been imported by the Telecommunications Department which is being utilised in Delhi at the headquarters to intercept the important messages of a

number of dignitaries as well as a number of politicians. I have already said on the Floor of this House, and I will repeat it today. I had talks with the former Rashtrapathi, Shri Zail Singh and when I talked with him, he categorically told me that his sources had already indicated and revealed to him that even the telephones in the Rashtrapathi Bhawan are tapped. I am referring to Rashtrapathi Bhawan. I am not referring to Rashtrapathi. I am giving you the information on the basis of one who is no more a Rashtrapathi today. During my talks with him, he told me categorically what his sources has revealed. Therefore, I want to point out that even in Rashtrapathi Bhawan, when telephones and messages are intercepted, it is a very serious thing and that is being done by the sophisticated imported machinery, imported from different developed countries. Such an expenditure is utilised to threaten and violate the citizens right to privacy. In this connection, I would like to point out that all are disturbed about it. I also want to point out that there is an important Bill which is the greatest threat to citizens right to privacy, that is, the Indian Post Office Bill. That had remained pending with the previous Rashtrapati, it has remained pending with the present Rashtrapati and probably he will leave it as a heritage to the coming Rashtrapati....
(Interruptions)

I know you cannot cast aspersions on the President, you cannot discuss his conduct, but we are always allowed to enquire whether the Bill that has been sent to the President for assent has been sent back or not. I may tell you that printed documents have been circulated by the Secretariat of Lok Sabha in which they have given the list of Bills which have been sent to the President and the list of Bills that are pending assent. I am fully within my code of conduct in Parliament and within the framework of the rules prescribed; I can refer to the Bill that is pending assent from the President. I am not discussing his conduct; I am not casting aspersions. In fact, I want to congratulate him, he has taken the right step.

SHRI SHANTARAM NAIK: You cannot

quote the President of India to influence your debate. That is the rule.

PROF. MADHU DANDAVATE: I pity his ignorance; he is exercising his fundamental right of ignorance, as if it has been guaranteed by the Constitution.

It has been umpteen times established that during the debate in the House, any reference to the Bill which has received assent or which has not received assent can be made and discussed. It has been discussed; probably, he has forgotten that during the Indian Telegraph Bill and also the second Bill, this aspect was also touched and actually a reference was made in the House appealing to the President not to give his assent. This is not to influence the debate; I am not utilizing the President's name for that. I only say that that Bill is still pending. That itself shows that there are lacunae in the Bill. Whenever any Bill is referred either to the Supreme Court or it is advised that you take the opinion of the Supreme Court or when the Attorney General advice is also sought, or when it is kept pending and assent is not given, it indicates that there are certain legal lacunae in the Bill or there are certain aspects of the Bill which threaten the Fundamental rights and as a result of that, the Bill has remained pending without assent. Therefore, I am fully within my rights.

I would plead with the government once again to have a second look at this Bill and try to repeal the Bills and if that step is taken, I think, universal acclaim will be there for respecting citizens' right to privacy.

Now, I come to the Ministry of Home Affairs. On page 13, the demands have been made. My friend, Shri Amal Datta has also referred to it. In demand No. 13, it is stated that the Supplementary Demand is required for meeting the expenditure arising out of the implementation of the action plan for Punjab to check inflow of arms and ammunition from across the Indo-Pak border.

As far as the objective is concerned, it is quite laudable. I would like to go on record

that there will be no hesitation on the part of the Parliament to sanction any amount and any payment that will ensure India's security and stability and integrity, but the question is while we sanction these amounts, what is the manner in which you are conducting the administration and is it likely to be spent for the purpose for which we sanction it?

As far as the Indo-Pak border is concerned, I raised this question earlier also and I wish to raise it again and it was confirmed and it is a fact, that as far as Indo-Pak border touching Punjab is concerned, there is smuggling including smuggling of narcotics to the tune of Rs. 600 crores of rupees and it has been established through various reports. Unfortunately, the authorities, the police and other forces are involved in this. They have developed a vested interest in this and when the administration, the police and other forces develop a vested interest in the smuggling that is taking place across the border, the very same forces will never be able to seal our borders effectively.

13.00 hrs.

They will never be able to see that arms and ammunition that are coming across the borders are also checked effectively. And, therefore, it is a fact that during a number of debates on Punjab, even the Home Minister admitted, that despite our efforts smuggling across the border is taking place. Smuggling of ammunition is taking place. He himself has admitted that the ceiling of border has not been effective.

When on all these fronts you have failed miserably, merely asking for a demand, that if you sanction this demand we will be able to strengthen the Indo-Pak border and we will be able to prevent the smuggling of arms and ammunition, I don't think will help you.

Sir, while we are discussing the Home Ministry's demands, I would like to raise a very sensitive point without casting aspersions on any individual or any office. In fact I am one among those who believe that one should be prepared to attack the Ministers

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here but not the officers for the simple reason that the Ministers can stand up in the House and defend themselves or admit their guilt. (*Interruptions*)

Sir, I would like to point out to you that there are certain sensitive areas of administration whose sensitivity is to be respected and they have to maintain the dignity, autonomy and also, independence and non-partisan attitude. Sir, we have the CBI. Now, unfortunately agencies like the CBI, during the recent Committee's proceedings on Bofors and also in several other matters, are being utilised as pawns in the hands of the ruling clique. Sir, we find that the CBI agency is today functioning in such a manner that they themselves appropriate to these so many powers has rights as if they can sit over the judgement. Recently, I don't want to make concrete reference, we find a murder case being enquired into by the CBI and when they confiscated some material, some diary or some letters, they go on addressing the Press conferences and revealing all the details to the CBI. Sir, It never happened in the pre-independence period also. It never happened in early days when Pandit Nehru was the Prime Minister of the country. This is the new culture, new style and the new ethos that has developed, i.e. before the court trial begins release all the material to the CBI agency, cast aspersions on the characters of the concerned person, give a real or false evidence to the Press and conduct cases through the media before the case takes place in the court of law. This is highly objectionable. This is prostituting the CBI machinery and in a democratic set up this is highly objectionable. Through this Parliament I want to warn the Government and the CBI that in a democratic polity, we cannot allow the CBI agencies to be utilised to subserve the interests of the clique in the aura of politicians among the ruling party and they cannot be utilised that way.

There is a court of law, Dignity of judiciary has to be maintained. All the facts and figures have to be placed before the judiciary and it is the law that will cast its final judge-

ment. You cannot cast aspersions on the people taking for granted that they have indulged in killing and immoral activities, Officers in CBI cannot sit over the judgement of the morality and the so called criminality of persons. It is the job of the court and not of the CBI. The job of the CBI is only to investigate, produce necessary documents, put them before the court and not to give them to the Press and try to make media as a miniature court before the real court starts functioning. It is highly objectionable. It is undemocratic and immoral. The Home Minister who presides over the Home Ministry has to explain this point of view to this House before he comes forward for the demands that have been put forward here.

Sir, cursbrily, I will only make a reference to one aspect. Consistently I have been demanding in this House and Business Advisory Committee, a discussion on the Mishra Commission's Report. Sir, If there are atrocities on 10 people, there is a discussion in the House. If a single murder takes place, there is a discussions in the House. If there is eve-teasing in the buses, there is a discussion in the House but if more than 2000 men were killed, there was no discussion. Have you come across a single discussion on the persons who were killed in Delhi, in the Capital city of the country, in 1984? This House has not discussed the murder of 2000 people. Nobody justified that; none from the ruling party justified that; and none from the Opposition justified that. But it is a tragedy that when those 2,000 innocent men were killed, their widows could not hear a word of sympathy in a debate in this House. The other day, many members of the Opposition and some members of the Ruling Party had gone to the Boat Club where all those widows had assembled. I asked one of them, "Madam, how much compensation do you want? What are your demands? She said, Mr. Dandavate, forget about the compensation. My child had been burnt alive. My husband had been killed. My daughter had been killed. And they were all killed in broad daylight. I do not want any compensation. I am prepared to die. But let me be assured that your sovereign Parliament would give

us justice and discuss and debate the atrocities committed on our family members." I could not assure that to that lady. I could not assure her that we would discuss the issue in the Parliament because I know my Parliament, I know my Government and I know my Business Advisory Committee. I said to her, "Madam, please excuse me. I have filed miserably after 1984 to organise a debate on this subject in Parliament." I said so with a sense of shame.

SHRI SHANTARAM NAIK: (Panaji) : He is casting aspersions on the Business Advisory Committee and on the Parliament. (*Interruptions*)

PROF. MADHU DANDAVATE: I am admitting my sense of shame. (*Interruptions*)

I am not yielding. I am on a very serious issue and I am stating a fact.

I have been in this House for 16 years. Not a single riot, not a single attack, not a single atrocity has gone uncovered and as far as I am concerned, I have always raised the issue. Now, I hang my head in shame that in the case of 2,000 murders in this country, I concede to my total failure in not being able to persuade my colleagues in the Parliament, the leaders who dominate this Parliament and the leader of the House as also the Business Advisory Committee to take up this issue. I say this is not an aspersion on you Mr. Naik. This is an aspersion on myself. I hang my head in shame. After 16 years of my parliamentary life, I have not been able to voice the anguish of those 2,000 widows whose husbands had been killed, whose children had been killed and whose daughters had been killed. I have not been able to assure them that the Parliament would echo their sentiments and emotions. parliament's heart does not throb in unision with the hearts of those widows who had lost their husbands and children. That is the tragedy. I only expressed my agony. I do not want to cast aspersions on anyone. I say this is a failure of all of us together in Parliament.

When these things happen even the Home Minister ought to have come before the House to announce *suo motu* that he would initiate a discussion here. He must have said, "Here is the Report of the Mishra Commission and here is the Action Taken report and I initiate a discussion on these reports." The Report of the Mishra Commission itself has admitted that more than 2,000 people have been killed. This House has discussed five men's death, ten men's death and 20 men's death. But it has no time to discuss the death of 2,000 men. On this occasion, I request the hon. Minister to come forward *suo motu* with a statement on the implementation of the recommendations of the Mishra Commission's Report. You yourself had appointed the Mishra Commission. He has given a report which you are supposed to implement and you are supposed to give the action taken report. On this occasion, I demand that that report should also be discussed over here.

I shall conclude with only one request as far as the Ministry of Agriculture is concerned. I will not go into details. On the other day I referred to the Narmada Development Authority Project and I said that the total cost of the project was Rs. 25,000 crores. The Minister had stated that it was Rs. 2400 crores. And Mr. Speaker Sir, you also asked me to check up my details. You said that it might be Rs. 2400 crores only. Sir., I gave a note to the concerned hon. Minister. I do not blame her because she is new. I said that it is not only one dam. It is not the Narmada Sarovar alone. The Narmada Development Authority Project consists of 30 major dams, 130 medium dams and 3,000 small dams and altogether their total cost is Rs. 25,000 crores. And what is the ecological loss that is going to take place? That will be around Rs. 30,000 crores. The cost of this project comprising 30 major, 130 medium and 3000 small dams is going to be Rs. 25,000 crores and the total environmental loss is going to be of the order of Rs. 30,000 crores. At the same time if all these projects are implemented, how many agriculturists and common-men will lose their livelihood? One

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Million. There were discussions three or four years back. There were discussions with the agencies. They have not been able to establish and therefore—I will conclude with only one sentence — I will appeal to Minister concerned that please go into this problem where one million people are likely to lose their livelihood. Therefore, take care to see that all arrangements for rehabilitation are done. First arrangements and provision of rehabilitation; then only your project. That should be the attitude that you have to take. Since this Government has miserably failed, as a token of my protest, I would oppose the Demands for Grants which have been placed before the House.

SHRI MURLI DEORA: You walk out.

PROF. MADHU DANDAVATE: I do not walk out. I stay in and fight you.

[*Translation*]

SHRI BHAJAN LAL: Mr. Deputy Speaker, Sir, with your permission I am ready to make a statement right now, but the hon. Members will get the copies only about one and a half hours later, as 850 copies are to be prepared. Should I make the statement right now or at 4.00 o'clock.

[*English*]

MR. DEPUTY SPEAKER: Mr. Minister at 4.00 o'clock, you can make your statement.

SHRI BHAJAN LAL: Thank you, Sir.

SHRI SHANTARAM NAIK: I want to raise a point of order.

MR. DEPUTY SPEAKER: What is your point of order?

SHRI SHANTARAM NAIK: I am raising my point of order under Rules 376 and 380.

Prof. Dandavate during the course of his speech has said that he has not been

able to assure one of the widows who had come and assembled at the Boat Club whose husband died in 1984 that he would not be able to hold a debate in this House because, he said: "I know my Parliament, I know my Business Advisory Committee." This means clearly casting an aspersion on Parliament and the Business Advisory Committee. These remarks should be expunged. This is my clear submission. You give your ruling.

MR. DEPUTY SPEAKER: I will go through the record and if at all there is any violation of rules, I will see that it is expunged.

KUMARI MAMATA BANERJEE: Sir, this is a clear aspersion.

PROF. MADHU DANDAVATE: Kumari Mamata Banerjee, I thought that you would show sympathy on those widows. I never expected that you would hide behind the rules.

SHRI DINESH GOSWAMI: When we raised this subject in the Business Advisory Committee, the Business Advisory Committee did not allow a discussion on this subject. The fact remains there. The Opposition were insisting on a discussion. Therefore, when he says that "I know my Business Advisory Committee" no aspersion is cast. It is a statement of fact. (*Interruptions*)

PROF. MADHU DANDAVATE: You learn your Constitution.

SHRI MURLI DEORA (Bombay South): I rise to support the Supplementary Demands for Grants presented by the Government. Prof. Dandavate initially said that to speak on the Supplementary Demands is to speak on the economic administration of the Government. During his twenty minutes speech he hardly spoke on the finance...

PROF. MADHU DANDAVATE: Finance and administration.

SHRI MURLI DEORA: He has covered

the topics from Mishra Commission to Telephone Tapping and upto riots. I think 90 per cent of his speech was devoted to these topics. I congratulate him on one or two points where he spoke for a very little time.

Sir in the original demand which is presented in the Budget, there, the deficit was shown as Rs. 7484 crores. Now in the Supplementary Demand, it is Rs. 668 crores. That means it will go up to nearly Rs. 8152 crores. When the Prime Minister Shri Rajiv Gandhi presented the Budget last year, he gave a commitment to this House that the Government will see to it that this deficit will not grow more and more every year. I would request you and through you I will draw the attention of the hon. Minister, that in the last few years from 1981 to this year, a total of Rs. 40,000 crores of uncovered deficit has taken place in our country. One biggest problem which is responsible for this deficit is the interest charges. I would like to bring to the attention of the Government that this year in the Budget presented in 1988-89, the interest charges is only Rs. 14,100 crores, originally it was Rs. 2600 crores in 1980-81. It has gone up by nearly seven times in six years. The real reason for this is the high rate of interest charges which has been effected by the Government these days.

(interruptions)

Eleven per cent is tax-free, my dear Mr Ananda Gajapati Raju. The bank charges are 18% and 16% for the Government... *(Interruptions)* I will just give examples.

The interest rates should be high enough to encourage savings, but they should not be so high that the cost of borrowing and the cost of money become very high; and, therefore, I would request the Government and say that there is need for further reduction of interest charges. This will help investment. This may reduce a little bit of savings; but you cannot just encourage savings at the cost of investment. Otherwise, people will not put money in industry; they will rather put the money in the fixed deposits and get interest on that. Today,

there are some tax-free Bonds where the interest charges are 10% and 11%, tax-free. Without this tax-free benefit, in the NTPC and Telecommunication Bonds you have 16% and 14% interest rates. The rate for commercial borrowings from banks is 16% or 18%. It is not 9%. Nine-and-a-half per cent or 10% are the special subsidized interest rates for exporters. It is only in respect of exports.

PROF MADHU DANAVATE: They have not built up a more self-reliant economy.

SHRI MURLI DEORA: One point where I support Mr Dandavate is this. He referred to the Balance of Trade Payment, and he said that debt service ratio had gone up from 16% two years back, to 21% last year and 24% this year. I would like to raise a query, to which I would like the hon. Minister to reply when he replies to this debate. Even this 24%, Mr Dandavate, is not correct — what is shown by Government. What is shown in the Economic Survey about debt charges is also 24%, there, they have hidden several figures. One figure which I want to point out is about borrowings from Non-Resident Indians who are depositing more than Rs. 9500 crores now.

Mr Amal Datta is not here. He said that SLRs and NRI deposits had gone down. They have not gone down; they have gone up.

PROF MADHU DANAVATE: Twenty four per cent is only with respect to financial institutions.

SHRI MURLI DEORA: Yes; but what I am trying to say is that even in the debt service ratio of any country or any institution, all the borrowings should be kept together. Government is not reflecting this Rs. 10,000 crores or Rs. 9500 crores in these borrowings. If Government shows them really, the debt service ratio will go up to much more than 24%. It will go up to nearly 28% or 28 1/2%. So, I say that the total borrowing of the country today is Rs. 140,000 crores, which is

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nearly 59% or 60% of the GDP, which is one of the highest in the world, leaving Venezuela, Paraguay, Brazil, Mexico and some other countries. I hope we are going to see that we do not follow these countries.

What I am advocating today is that in respect of borrowing money, in respect of borrowing money from foreign countries, and commercial borrowings from the World Bank and other financial institutions, it is necessary to mop up the resources which are available internally and overseas. No country in the world discourages foreign investment more than what India is doing.

I am glad; I must congratulate the Prime Minister — after his visit to Japan and Germany, Government is coming up with positive policies for encouraging foreign investments. We have a massive resource crunch. We have no money. So, either we borrow money from abroad, or we allow the foreign investment to take place. And if foreign investment is allowed to take place, it will be better for the country. Why? Because those who are investing rather than lending, will have a stake in the industry in which they are investing. They will allow new technology to come in; they will have participation or involvement in the country itself. It is shocking to see that the total foreign investment in our country is to the tune of nearly two billion dollars i.e. Rs. 2400 crores or Rs. 2500 crores. This much foreign investment is there per year, every year, in small countries like Australia and New Zealand where there is \$ 2 billion or \$ 1 1/2 billion of foreign investment every year. In our country, the average foreign investment is nearly \$220 million or \$210 million i.e. Rs. 250 crores, which is nothing. We have got other measures to check these people, if our country allows foreign investment. If we have a fear or if we are worried or scared that they may play havoc with our economy or our system here, there are other measures available, with the Company Law Board and other departments, to check them.

I would advocate today that in order to

take care of the mass resource crunch in our country, especially the foreign exchange reserve crunch, instead of borrowing money at such a high scale with such a high rate of interest, it is better to allow the people, to allow the foreigners, NRIs and non-NRIs, to invest in our country; that will be better than borrowing.

I was just referring to NRIs and other deposits. I do not want to speak on the banking because the hon. Minister's department is not banking. There are NRIs all over the world who are borrowing money at a lower rate of interest and depositing it in our Nationalised Banks at a higher rate of interest. Foreign banks all over the world are advertising today saying that in India they can get a highest rate of interest in their investments on the NRIs' deposits. This must be checked. We must certainly encourage NRIs investment, the savings of small and big NRIs abroad, but we should not allow this racket to take place whereby they are borrowing money at a little 1/2 per cent more than the liberal rate, London Bank rate of interest and deposit it here at 2 1/2 per cent, 3 per cent more. This must be checked. I had raised this point earlier also, but, unfortunately, so far no reply has come to this point.

If we see the Economic Survey, we will find one most distressing paragraph, that is, the negative growth in employment in organised private sector; this is the most distressing point which is referred in the entire Economic Survey this year. It is shocking that when the government is putting so much money on massive employment generation programme in the private sector, organised private sector, the employment is negative as compared to what it was earlier; it was less than what it was generated earlier. The government must do something to generate massive employment to channelise the energy of our youths who are coming day-by-day. If the licensing policy is liberal, if our investment is allowed, if the capital market -- I am not talking about the share market, because she always says about the share market — is developed, if the rural and urban

savings are tapped up and harnessed in a right way, this will give a massive boost to the public investment. If the investment is more, more industries will come up; if more industries come up, more jobs will be created. Government must do something with regard to this.

We were talking about BOP. There was a massive fall in foreign exchange reserve. I am sure the government is doing everything to boost up the export. There are two major items of export which are employment-oriented as well as foreign-exchange earning oriented; they are ready-made garments and gem and jewellery and diamond and jewellery. Some time back, it was referred by the gem and jewellery people that their exports had gone up this year by 45 per cent, 50 per cent. If what is happening there is that the Gold Control Act, nearly 100 tonnes of gold is smuggled into India. This is the official record of the Bullion Exchange of London; these are published all over the world. Why don't we scrap this Gold Control Act? Why don't we allow small ornament manufacturers to do it? These people are throughout the country. There are so many traditional artisans, handicrafts to manufacture gold. Today they have to maintain so many accounts; it is just not possible to do this thing. The diamond export is going up so rapidly. If we see today in the Far East we will find that China, Bangkok and Thailand are coming; and China will come if we do not act quickly, if we do not liberalise our policy, as far as diamond exports are concerned. China and Thailand will overtake us. There are several NRIs in Edinburg, Brazil and other countries who are ready to invest money to set up diamond export, diamond cutting and polishing from India. But they are not ready to come because there are so many bureaucratic delays, local delays. Even if the Government of India rationalise some of the policies, the Sales Tax Authority is there in the States. I do not know why there is no coordination between all the State Governments and the Government of India even on the items which are meant for export. The Sales Tax Authority in Bombay and all over the consuntry are harassing the exporters,

especially the diamond exporters.

Garments export is the highest employment generating export item that we have got. But due to faulty quota system, due to the quota system which is prevailing in the Western countries specially America and due to unrationalised duty drawback and cash incentive scheme, the exports are not picking up. The Government must do it. We had three committees, the Alexander Committee, Abid Hussain Committee and so on. So many committees have been constituted on exports. But, hardly, the recommendations of even one or two committees are fully implemented. The time has come when we must do something for garment export diamond and jewellery exports, then only it will give more jobs and more boost to the exports.

One point I would like to add. There was a time when India was known as a country of villages. It is still known so. I am not saying that it is a country of urban areas. Today one out of four people live in urban areas. By the end of the century one out of three persons, one-third of the total population in our country will live in the urban areas. The time has come when we must have a proper urban policy. We must have proper urban transport, proper urban housing, proper urban policies, then only we will be able to take care. What is happening is, that in the urban areas there is no money available. I will just give one small example of Bombay. Shri Madhu Dandavate will agree with me. We have a system called, the BEST, the transport system. Ninety-seven out of one hundred buses are on the road during peak hour traffic. Instead of giving any subsidy to the public transport system, the Government of Maharashtra — the Government of India is doing nothing — has levied a passenger tax. I do not want to cry about Government of Maharashtra here. But no subsidy or no help is given in any way to the urban transport system. But you see the DTC, the Delhi Transport Corporation, here, more than Rs. 100 crores losses are suffered and all that is born by the Government just because Delhi is under the Central rule.

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What I am trying to say is that there should be a comprehensive urban policy which sees to the urban growth all over the country. We have got more than 12 cities today which have more than one million population around the country. And this will grow further and further. I would advocate, I would request the Government, that the time has come when massive money is to be spent in the urban areas, over and above the rural areas, — I am not against spending something in the rural areas—but also due share should be given to the urban areas.

With these words I support the demands.

SHRI ANANDA GAJAPATHI RAJU (Bobbili): Mr. Deputy-Speaker, Sir, I stand to differ with the Government's viewpoint that Supplementary Demands should be voted. Last time while presenting the Budget the Finance Minister said that the budget deficit would not exceed Rs. 8000 crores and odd. But today we find from newspaper reports that already the budget deficit, that is the credit given by the Reserve Bank to the Government has increased to over Rs. 8000 crores. In addition to that, these Rs. 600 crores and odd are being asked to be voted. We are not differing with the purpose for which these amounts are being voted. But we are differing with the manner in which it is being done. It has become habitual on the part of the Government to always come in every session to Parliament, and request for monies to be voted. This is, in addition to the budgetary deficit that has already been put at a high figure. Therefore, I beg to differ with this demand made by the Government.

I would like to basically deal with the state of the economy in general and also in certain specific areas, because the micro aspects have already been dealt with by the speakers who have spoken before me. But what I would like to say is, the state of the economy is in a very bad and poor shape. Today you find that none of the rosy pictures that have been put forward by the Government have been either achieved or implemented.

I would like to refer to one of the component parts of the economy, namely, unemployment. In this very session, I had the opportunity of putting a supplementary question. When I put the supplementary, I requested the Minister to let us know what is the sectoral approach of the Government towards providing more employment, how would they go about it, and how would the capital output ratio which is a major determinant of employment be reduced. In both these cases, the Minister said that about the capital output ratio, he had no idea and about the sectoral figures regarding increase in employment, he said that such figures have not been worked out. So, if you take various components of the economy, then you will find that there is no strategy on the part of the Government either towards creating more employment, either towards reducing poverty, either towards reducing inequalities or any such thing. There is no approach. It is just an aggregation of figures. When the Government wants to discuss about planning, they aggregate all the figures and say that we want so much of investment, we want so much of saving, capital output ratio would go up by so much, the interest rates would be reduced by so much and the growth would be so much. These are the figures and according to me, these are platitudes because they are not achievable. Right from the beginning, every Plan has not achieved the target, which they sought to achieve. That is the major lacuna in planning in this country. While speaking on the Supplementary Demands for grants, it is our duty to point out that there are serious lacune.

There seems to be no serious purpose in the Government's pronouncements. In this connection, I would like to bring to the notice of the hon. Minister the observations made by the Comptroller and Auditor General of India. He said that internal and external debts of this country are far too high. He said that the internal debt was over Rs. two lakh and twenty thousand crores and external debt was much more. Our debt servicing ratio, even though it was claimed to be twenty four per cent by the Government today, was very much more because many figures were concealed. In fact what the

Government does is to take into consideration the loans and grants which come in. These external loans and grants are also taken into consideration while working out the ratio. Therefore, the ratio is very less in comparison. Then, when you cut out NRI funds and the aid, I think you will find that this figure would be easily about 35 to 40 per cent, which means surely the Government is in debt trap. Internally we are also in debt trap because we have to pay interest on the borrowings that we make. This year we will have to pay Rs. 14,000 crores towards interest and this Rs. 14,000 crores will be the total amount realised out of borrowings made by the government. Now, there is a move by the Government to reduce the interest rates on those borrowings. After all, what is the Government paying. On a twenty year bond, they are paying only 10 per cent, 10 1/2 per cent, 11 per cent and 11 1/2 per cent. Now if they reduce it further to 8 per cent, it means the productivity to which the Government is utilising this amount is of a very low order. I would like to point out that non plan expenditure is increasing at a rate of over twenty per cent every year. I had an opportunity to raise a supplementary question in this House... (*Interruptions*)

SHRI MURLI DEORA: What is the non plan expenditure in Andhra?... (*Interruptions*)

SHRI ANANDA GAJAPATHI RAJU: In Andhra, we have covered our deficit because we are collecting more money by way of excise and sales tax. So, we have covered the deficit and we are waiting for the 9th Finance Commission to be more generous towards the State Government... (*Interruptions*) Mr. Deputy-Speaker Sir, I am not here as a Minister to answer their questions... (*Interruptions*)

SHRI MURLI DEORA: Thank God for that.

SHRI ANANDA GAJAPATHI RAJU: I do not have to answer you and you do not have to be at my back also... (*Interruptions*)

SHRI RAM PYARE PANIKA (Robertsganj): But for some of the questions, you have replied well... (*Interruptions*)

SHRI ANANDA GAJAPATHI RAJU: I was a Minister previously. So, the observations made by the Comptroller and Auditor General of India are of great importance and I would like the Minister to give his reactions to CAG's observations while replying... (*Interruptions*)

SHRI H.A. DORA (Srikakulam): He will conveniently ignore.

SHRI ANANDA GAJAPATHI RAJU: I would request the hon. Minister to kindly reply as to what are his reactions to CAG's observations.

The Government has gone in the process of running the economy on the basis of ad hocism and on prescriptions given by the World Bank and the IMF. It is a very sad commentary on the country that the import policies should be decided on the basis of what the World Bank and the IMF feel. You find that all the moves and all the gestures towards privatisation, all the gestures towards cutting down money to the rural poor, cutting down subsidies, the rationalisation in their view of industrial set up are all prescriptions made by IMF and World Bank. I would like the hon. Minister to contradict how and why we are following the prescriptions given by the IMF and World Bank in our policy procedures.

Today it is the general criticism made. It has appeared in the press several times. And I also share this view. Those countries which are pressurising IMF and the World Bank to prescribe certain policy measures for India, are themselves not following free trade. They say that free trade should be part and parcel of India's foreign policy regime and foreign trade regime. If you rightly see this, USA has passed a Bill — of course, it has to be signed by the President of the United States — called Restrictive Trade Bill. They want to increase the tariff and countervailing duties on the goods coming in

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the country. They are doing that. But when it comes to our country, they tell us, no you must go in for more liberalisation, you must import freely, you must decide on freeing the constraints that the economy has. Every time, they go on mentioning that FERA and MRTP are constraints. In my opinion, FERA and MRTP are not constraints. If FERA and MRTP are not to be there, then big industrial capital would have spread its wings throughout the country and small man could never have survived in this set up. That is why, I request the Government not to go by what the World Bank, IMF and other developed countries say, but have our own policy prescriptions as to how we should manage our own economy. Now, Western Europe is saying that they will not take our imports beyond certain quotas. But they are forming a market within themselves and they are consolidating themselves economically and they are raising tariff barriers. I would suggest that we should also look within and decide on more import substitution. In fact, according to the liberalisation policy we should not go for import substitution. But I say that we should go in for more import substitution because this only proves that India will conserve its scarce foreign exchange in the direction of petro-chemicals, edible oils, petroleum, non-ferrous metals and other things which are eating up our foreign exchange to the extent of Rs. 3000 to Rs. 4000 crores per year.

I would end by speaking about prices, growth and employment. We find that deficit financing, the way it is going today, is definitely to raise the price level beyond the comprehension of any common man. You cannot find growth in the country unless you provide employment. But this process of providing employment is also not taking place.

As far as inequities are concerned, this country is riddled with inequities. Inequities which were sought to be removed by earlier Plans and this Plan in particular, could not be removed. I would like to sum up by saying that the former and late Prime Minister, Mrs.

Gandhi, had said that *garibi* should be removed — *garibi hatao*. But what I find is something totally different

Sir, I find the slogan 'Garibonko hatao' is taking place.

SHRI RAM PYARE PANIKA: That is what is happening in Andhra Pradesh.

SHRI ANANDA GAJAPATHI RAJU: We are doing a lot of good things for them. If you want to learn the lesson, please learn it from us.

[*Translation*]

SHRI RAM PYARE PANIKA (Robertsganj): Mr. Deputy Speaker, Sir, I am thankful to you for providing me an opportunity to speak.

It is quite natural that if a popular Government is active and it has established the credit of its success in the people, it will have to bring forward supplementary Budget to fulfil its commitments. It gives us great satisfaction that our Government have brought this Budget and achieved success.

Sir, presently our economy is strong. I am happy that despite the severe drought and havoc caused by floods and other natural calamities in different parts of the country last year, the people did not feel the impact of these calamities because our Government made good arrangements.

The country witnessed the most severe drought of the century in 1987. In spite of that we did not affected any cut in the targets of the Seventh Five Year Plan. Of course, there has been a marginal fall in the agriculture production, but we have tried to make good the shortfall to a large extent by providing better irrigation facilities and supply of seeds, etc for ensuing rabi crops. You will be surprised to note that our industrial production instead of going down has registered an upward trend even under such odd circumstances.

When we make a comparison between our Government and that of the Party to which Shri Madhu Dandavate belongs, we find that the industrial production has gone down to — 1.54 during 2 1/2 years regime of that Government in a similar situation of drought. You can yourself make the comparison and you will find that our Government is a Government that works and that was the Government which merely talked.

You can yourself review our achievements. The production of coal has gone up by 7 per cent and that of power by 9 per cent. In the petroleum sector, whether it is the case of exploration, refineries or any other thing, there has been a constant rise. We are making good achievements. It is a Government for making achievements for the people. It is active in making developments for the people and that is why it has asked for a supplementary Demands for Grants for Rs. 668 crores. This amount has been asked for the work of very essential nature. This Budget has been brought to undertake work in the field of agriculture, I.R.D. and rural development. It is our resolve to remove unemployment. We have since made the resolve to eradicate poverty. It may also please be noted that we have got a working force of 24 crores. Out of them only 0.03 per cent belongs to organised sector. Presently the country is passing through a very critical phase and we are making endeavours to overcome it. Work on N.R.E.P., R.L.E.G.P., Poverty alleviation and other such programmes to remove unemployment are going on. We are carrying on all these programmes through the State Governments. But in practice, the programmes launched by us are not being implemented by the State Governments properly. Arrangements have been made to provide wheat to poor people and the Adivasis, but the labourers do not get wheat. Similarly, minimum wages have been prescribed for the whole country, but different State Governments have adopted different rates of wages. What is happening to-day. Though Parliament is providing funds but due to wrong policies of the State Governments the workers are not getting minimum wages. In this connection a meet-

ing of the State Governments was called and it was decided therein to revise the minimum wages after every two years or when the wholesale price index goes up by 50 points. The Government should revise the wages accordingly. But it is a matter of distress that it is not only the private sector, but also the various departments of the Government are not paying minimum wages, rather they have taken exemption in order to escape from the provisions of the Minimum Wages Act. I appeal to the Government that no sector or the government department should be given exemption from paying minimum wages. When we voiced our resentment that the Forest Department and the P.W.D. are paying less wages in Uttar Pradesh, both the Departments took exemption in February, 1988 in a bid to save themselves from being charge sheeted under Minimum wages Act. Why does it happen so. When a decision was taken by all State Governments in a high power meeting, what does it mean to back it out. It is, therefore, necessary that laws should be made here with due considerations and it should also be ensured that in no case any law is violated. I would also like to say that most of the government departments functioning in far flung areas are violating this law. The resources being made available by the Centre and the funds allocated in the Budget are not being utilised properly.

I would like to make one thing very clear here that the performance of the banks is very unsatisfactory these days. (*Interruptions*). Of course, there is one thing that the C.P.M. union is dominating there and these people are boosting the moral of the bank's employees so much so that without paying commission to them the Adivasi people do not get even a penny under the various programmes such as I.R.D.P., poverty alleviation, self employment etc. I shall give credit to the hon. Member if he himself draws money from the banks without paying commission. Why has such a situation developed? Does the people belonging to C.P.M. who talk of poverty alleviation and upliftment of the downtrodden from the type of unions which help the workers and the capital-

[Sh. Ram Pyare Panika]

ists in stead of common people. You will be surprised to know the huge amount of money being amassed by the management and the executives of the nationalised banks. By transferring funds of one undertaking to other undertaking, they are becoming millionaire. Money belonging to one particular undertaking is deposited in one bank during a particular year, next year it is transferred to some other bank and during the following year to third bank. Why does it happen so? For example, if a company requires to take Rs. 10 crores from a private sector, it will approach a broker and request him to arrange the amount from a bank. The bank will approach a Government undertaking and get their money transferred from one bank to the other by requesting its Managing Director. In this way the percentage will be shared between the broker and the bank people. This type of bungling is taking place in the banks. The Government did not take the control of these public sector undertakings into its hands in the name of autonomy. A white paper is to be issued about these banks. On these they have their Board of Directors.

[English]

Now they are Rajas and Maharajas. What are we doing, when they are earning a lot?

[Translation]

A reference is often made about political corruption prevailing in bureaucracy. A study may be conducted as to what was the assets of an I.A.S. officer at the time of his joining service and at the time of his retirement. The achievements of our Government is in conformity with its promises. The Prime Minister of our country had also said that Government would make efforts to ensure that the price index did not cross two digits. I am glad to know that this goal was achieved last year. The developed countries of the world are surprised to note that despite floods, drought and various financial constraints, how the Government could be able to control inflation. The rate of inflation in the

developed countries is about 21 per cent, whereas in our case it is only 8 per cent and even less than that say about 4 to 5 per cent. We will have to take further steps in order to achieve further progress. We will have to build an economy for which we are committed. Just now, an hon. Member from the C.P.M. was speaking. He has a grudge as to why Punjab and Uttar Pradesh are given special treatment in the matter of financial assistance. They bring politics in the matter of Central assistance also. When the question of allocation comes, they blame the Central Government for not sanctioning funds to them. When they are asked to furnish details of accounts of the expenditure incurred, they do not furnish the same. It is, therefore, essential that monitoring of the funds being provided by the Central Government must be made. The funds being allocated to West Bengal are being spent on their cadre building. West Bengal is such a state, where employment exchanges have been opened but they have become infructuous. These have become meaningless because recruiting authorities themselves send the names of the people to be sponsored by the exchange for recruitment and the list are prepared accordingly. What sort of work is being done by the C.P.M. people for the proletariat. Our hon. Minister belongs to Bengal. His activities are causing great difficulties to them. He has spoken such things which are not in his party's interest. We want to allocate money to West Bengal in the Budget under the New Education Policy. We have allocated funds to all the States and all of them have taken it. But the Government of West Bengal asserts that it was against their interest. We provide money to them but they are the people who implement the national programme. Therefore, they do not want to accept this money. They want to take money so that they can use it for conducting studies on Chao-Mao instead of Gandhiji and Nehruji. You shall have to take up the monitoring responsibility in the interest of national integration and national economy. Some States have been squandering the hard earned money of the people. If they are not able to spend the entire amount allocated to them, we should

formulate schemes at the centre and should implement them. We do not want to raise the question that State Government should do it or not. If State Government is worthless, we should have a watch on it and if that State Government indulges in anti-national activities, it will be in the fitness of things for the centre to dismiss such a State Government. The programmes which are being undertaken for the development of the country and pertain to alleviation of poverty, should be implemented properly. I also want to say something about industries. The private sector is not generating employment. Private sector, public sectors or joint sector has no meaning in this age because all the money invested in them belongs to the people. Whatever rules and regulations are framed in regard to the employment generation should be applicable to the entire private sector also because 90 per cent of their capital belongs to the people at present. Even then some mills are rendered sick under a conspiracy. You may see what is happening in West Bengal. People try jointly to make the mills sick and then the Government proposes to take initiative for their revival. At this juncture we should decide the basic things involved in it. The report of Sarkaria Commission is very good. When a motion in this regard was tabled by Mr. Patel, that was discussed. We should implement it for the unabated development of the country.

[English]

SHRIMATI CHANDRESH KUMARI (Kangra): Mr. Deputy Speaker, sir, I rise to support the Supplementary Demands. The Government is doing very good works during the drought period. But there are a few burning problems in my Constituency which have been there for a long time and I would like to highlight them. The major problem of my Constituency is regarding the Pong dam which started about 20 years ago which rendered 30,000 families homeless and landless. Out of these 30,000 families, the Government decided that 18,000 families would be rehabilitated and given compensation. That number was then reduced to

10,000 and these 10,000 families were identified to be given irrigated canal land in Rajasthan and to be given all the facilities that they had in Himachal Pradesh but it is sad to say that to this day only 4,000 families have been rehabilitated.

SHRI MOHD. AYUB KHAN: They do not want to go there.

SHRIMATI CHANDRESH KUMARI: It is not a fact that they do not want to go there. It is the Rajasthan Government machinery which is misguiding the Government and not letting them go there. That is why, I am bringing this to your notice. I think the people of Rajasthan should have the patience to hear our complaints. We helped them with water. We gave water to their dry land. Only 4,000 families are rehabilitated and even these families who have been given land, have not been given irrigated land.

I know what is happening. There are some mischief-makers from Himachal Pradesh and they, in connivance with Patwaries and the Government machinery, are misguiding both the Himachal Pradesh Government and the Rajasthan Government. What is happening is that if a man from Himachal Pradesh has been given Moraba, the mischief-makers from Himachal Pradesh get in touch with Patwaries and get that land re-allotted to somebody else and take commission. It is not the ousters they do not want to settle there but their Moraba has been re-allocated to someone and it is cancelled. So they cannot settle in Rajasthan.

14.00 hrs.

I am repeatedly requesting the Rajasthan Government and the Himachal Government that they should both together sit down and look into their problems and solve those problems because these people have helped the Energy Ministry and the Water Resources Ministry by sacrificing their land, home to improve the energy situation and the water situation in this country. Now, if we will not look to their problems and if these

[Shrimati Chandresh Kumari]
 problems hang for 20 year, in future nobody else is ever going to give you land till they are accommodated first. So, I would request the Minister to have this matter looked into and help them. Besides that, there is another problem that the Pong Dam oustees are facing and the problem is that they were given a compensation which was increased by the District Courts and the High Court. Later on, that was reduced by the Supreme Court. Now, recoveries are being taken from them. These people do not have money to pay back because they have already used that money. The Himachal Government approached the three Governments of Haryana, Punjab and Rajasthan who are benefiting from this Pong Dam that these recoveries should be waived off; all the three Governments should sit together and decide to help these people. The assurance has been given to the Pong Dam oustees repeated that these recoveries would be written off. But, so far, these recoveries have not been written off and they are getting notices from the Court for recoveries. They are being harassed. This is one of the major problems that my constituency is facing.

The second problem that is faced by the people, especially the people of Kangra District, is this — But I think it is a major problem throughout India. We have been taking this matter up repeatedly. I have received a letter from the Ministry also. There is a tremendous disparity between the old ex-Servicemen and the new ex-Servicemen. I think that 1973 is the mark which says that the old pensioners will get less and the new pensioners will get more. (*Interruptions*) I thank them. I do thank the Defence Ministry for they have increased the pension of the people. But I still feel that there should be no discrimination between the old and new pensioners because these people have served the nation and they have given up their young lives to protect us, to help us and most of our problems took place during the period before 1973. The 1962 aggression, the 1965 aggression and the 1971 aggression are all before the period of 1973 and I feel that it is very necessary that all the

pensioners — ex-Servicemen — should get the same pension. It should be one-rank one pension. The Pay Commission has rejected this proposal but it was approved by the Ministry about three or four years ago. This should be re-considered and the all the ex-Servicemen should get the same pension for the same rank. This is my request.

My next point is that the Hill State faced a major problem every year. When heavy rains come, lands and homes are washed away. I would suggest that the Ministry of Water Resources and the Ministry of Agriculture should bring up a project of soil conservation and channelise the waters properly so that the waters do not damage the people's properties and lands. I have recommended to the State Government of Himachal Pradesh that in all the mountainous areas, there should be some check-dams which would channelise the water in a proper way. Even when there is a drought situation, that water could be utilised properly. Besides that, if the bigger rivers like the Beas and the Sutlej are properly channelised, then they would not erode into the people's land and property. This would help tremendously.

Last but not least, I would suggest one thing. Of course, that is nothing to do with this Demand but even then. I would like to say that there has been a repeated request from the Himachal Government that the road from Pathankot to Mandi should be declared as a national highway. I strongly recommend this case and strongly support this case of Himachal Government because this will become the second road which will help to go to the border areas. It would be helpful for the Defence purpose because this would avoid Punjab which is a disturbed area. Sir, you know that the road from Chandigarh to Mandi is already a national highway and the road from Pathankot to Jammu and beyond is already a national highway. If the middle-links have been declared a national highway and Government of India takes it up, then it would become a second supply line and it will be a great help to the nation.

With these words, I once again thank the Central Government for helping the Himachal Government during the drought period. But we will request for help this year also. Because of excess rains, there has been a lot of damage to property, to land, to roads, to buildings, and the State Government has already sent a request for help. I hope the Central Government will be liberal and will give us extra money.

SHRI DINESH GOSWAMI (Guwahati):
Sir, I oppose the Supplementary Demands for Grants. At the time when the last Budget was presented, in spite of contrary assertion from the Finance Minister, we pointed out that the inflation would be more than the projected inflation in the Budget and there would be price rise. Our prediction has come true. Mr. Panikka is not here. He took pride in the fact that inflation has been under control. I do not know; I would like to ask the lady Members of this House who are present here to give their own opinion whether inflation is under control. Today in Delhi no vegetable is available for anything less than Rs. 10. In fact, the danger that I see today is that people have stopped talking about price-rise. People, with almost a philosophical indifference, has accepted the price rise as if it is a phenomenon which is beyond the control of this Government, beyond the control of this country, beyond the control of this Parliament. In spite of this, I would have supported these Supplementary Demands for Grants if the amounts had been spent for productive purposes and if the Demands had taken care of some of the most pressing problems of this country. I have gone through the various reasons why the supplementary budget has become necessary and I have found that it has become necessary because of interest charges, it has become necessary because of court decree, it has become necessary to provide increased capacity for a power corporation to borrow larger funds, for the purpose of conversion of private ownership into joint ownership, for salaries and allowances, for repayment to the IMF — that alone comes to Rs. 627.64 crores; though it has been claimed that there will be no net cash outgo, the fact remains

that we have been involved in the creation of non-negotiable, non-interest bearing securities in favour of the IMF. Grants are being asked for to provide for payment of pay and allowances, to take over the stadia from the DDA and the NDMC, to pay amounts arising out of judgments of courts, to pay money for rents of offices, to pay money for transport subsidy, to pay money for setting up offices, to achieve debt-equity ratio and also to make ready-made flats. If you look at the figures, you will find that the productive expenditure is much less than the unproductive expenditure. That is why, these Supplementary Demands for Grants will have their own effect on price-rise. In fact, there has been no effort on the part of the Government to cut down the unproductive expenditure in spite of the fact that it has been claimed from housetops that serious efforts are being made. Even otherwise, I have got strong objection to these Supplementary Demands because they have failed to take note of some of the most pressing problems of this country. The Supplementary Demands cover grants for water resources and for energy. Amounts have been provided for the SYL Canal; I have no objection if more money is provided; I am ready to vote for it. But we expected that, in the Supplementary Demands for Grants, some provision would have been made to meet the most difficult problem that the North Eastern Region is facing, that is, the problem of floods. We had the problems of five floods in the last two years. We have already had three floods and we are expecting two more floods. Added to it has been the problem of the earthquake, and this may not be the last because the prediction is that the North-Eastern Region, including Assam, is likely to suffer the heaviest of damages from the earthquake within this decade. Now the entire energy of the farmers have been snatched and it is impossible for a State like Assam with its limited resources to tackle the Brahmaputra. There are projects pending with the Government of India. The Subansari Project can give electricity and irrigation at the lowest price, lowest cost. In fact, I wrote to the Prime Minister and I wrote to the Water Resource Minister that if this Project is implemented, not only

[Sh. Dinesh Goswami]

the North-Eastern region but even the Bihar and West Bengal can be supplied electricity at an estimated cost of 23 paise per unit which is currently the lowest cost. But no amount has been earmarked for this. No amount has been earmarked for any short-term measures, for the Brahmaputra Board which was the Board set up by the Central Government may take or has taken for the purpose of solving this problem. In fact, a Master Plan is ready. The Master Plan was circulated to a number of Ministries. I do not find that this Master Plan has gone anywhere beyond being on the files of the different Ministries.

[SHRIMATI BASAVARAJESWARI *in the Chair*]

14.11 hrs.

Also in the Supplementary Demands, we have granted amount for petroleum and natural gas. Now there was a commitment for an oil refinery to Assam during the Assam Accord. But unfortunately, though years have gone by no refinery has come. In the morning, there was a reply from the Minister of Industries that the Government is going for more petro-chemical complex because the Government has not been able to meet the demands of the petro-chemical products. But in spite of the fact that there is a demand, no amount has been earmarked in the last Budget and I do not find any amount being earmarked even in the Supplementary Grants.

The other important point is that the Government of India is yet to determine the increased royalty which is due to the government of Assam and the Government of Gujarat and also the other crude producing States. And it is in the fitness of things if the amount that has been fixed on the additional royalty is provided. But I do not find anything regarding it.

In the Home Ministry, amounts have been provided for control of arms from across the border. Well, I am saying that we

are prepared to provide any amount for that. But this problem of infiltration has become a major problem in the North-Eastern region. In fact, in the State from where the Hon. Minister comes, there is this problem. And in the Tripura Accord, which the Government of India signed only a few days back, one of the commitments is that the infiltration would be stopped. Now this has not been provided in the Supplementary Grants and no amount has been provided in the Supplementary Grants about the construction of the border roads which is a commitment of the Government of India to the people of the North-Eastern region to prevent influx. These are some of the vital problems which have not been taken note of at all in the Supplementary Grants.

Prof. Dandavate referred about the telecommunication and phone tapping. Well, the fact as it remains today, our telecommunication system is almost in a state of destitute. You do not get calls. If you ring up a number, you will get some other number. After attempting for hours together, you can get some trunk calls. Now we do not mind granting money for the improvement of telecommunication. I greatly feel that this money if utilised for the purpose of bringing sophisticated things, for phone tapping and other things, nobody can support it. After this, some sort of statement should come from the Home Minister. May I point out that the former Minister of Communication wrote that even phone of Prime Minister Indira Gandhi was tapped. The day he went into the Communications Ministry, he was astonished to find that — this was during 1969-71 era — the phone of the Prime Minister in this country was tapped. This is the position to which we have reduced ourselves. Therefore, there must be an assurance also from the Government that amounts will not be spent for unproductive purposes. So, for all these reasons, Madam Chairperson, I stand here to oppose the Supplementary Demands primarily because the Grant will go against the interests of the people. It will add to price rise. It is not adding to the production, it is only adding to the non-productive ventures. I don't know why in this moment of

crisis when the country is facing flood and drought, when we have got an earthquake of a magnitude which we have not seen recently, we should go in for a ready made flat, we should go in for setting up of stadia or setting up of office, pay more rents on office and all these non-productive ventures.

In fact, once more it is time for us to look back and review our position regarding the IMF and our borrowings from the international organisations. Because though the Government of India will deny, we are probably at a crossroad of entering into a debt trap — even if it is conceded or claimed that we have not already entered into the debt trap. If we do not tackle this situation seriously at this moment we may reach a point of no return.

I don't find that in the entire supplementary demands any seriousness is shown to curtail expenditure for non-productive purposes. I find that there are 13 items where amounts have been earmarked for absolutely non-productive purposes. Therefore, for two reasons I oppose the supplementary demands because it is meant for non-productive purposes and it has not taken into account some of the most pressing problems the different parts of the country are facing and at least my region and my State is facing.

[*Translation*]

SHRI R.S. KHIRHAR (Sitamarhi): Hon. Madam Chairman, I support the supplementary demands presented by the Government. Which are indicative of the progressive steps of the Central Government. It cannot be denied that whenever the Congress Government was in power in the States after independence, they tried their best to promote the cause of the poor and the backward classes by keeping contact with the lowest rung of the society. Not only this, it has a strong desire to work for the upliftment of these classes for which programmes like N.R.E.P., R.L.E.G.P. and I.R.D.P. are being implemented. It has resulted in substantial development of these classes and the society has moved forward.

We should look to it quite carefully that the wealth which belongs to the entire nation and is meant for such purposes, is properly utilised.

It appears from the position of the works being undertaken in Sitamarhi which is my constituency that our Central Government and State Government have remained indifferent and it has gone out of the control of the Government. I have repeatedly raised my voice in this House that this is not being monitored properly, but no attention was paid to it.

Now, I will like to draw your attention to 2-3 points. I will like to know from the Minister for Water Resources the reasons for non completion of the big projects which were scheduled to be completed earlier. I would also like to quote some examples. There were Gandak, Bagmati and Kosi river project for the northern border area of Bihar. While speaking on the Budget for the year 1985, I had stated that initially, the estimated cost of Bagmati-project was Rs. one crore which has now escalated to Rs. 36 crores. Completion of the work of these projects is beyond the capacity of Bihar Government. I have repeatedly urged upon the Government in this House that the projects involving expenditure of crores of rupees, should be taken over by the Central Government. It will convince us and the people of Bihar that these projects will be successful and will be completed in time. You know that it is beyond the capacity of the Bihar Government, but the Central Government also did not bother and did not provide for its supervision till now.

My second point is regarding self employment. Government wanted to set up small scale industrial units to provide jobs under self employment scheme for those people in the rural areas who had been unemployed after the completion of their studies or had spare time after their agricultural work or share cropping. Our Finance Minister is sitting here. He must be knowing about bungling in banks under the self-employment scheme. Everybody knows it that banks have become the centre of cor-

[Sh. R.S. Khirhar
 ruption and the unemployed people who go there for loans for the small scale industries, are asked a percentage of that amount by the banks. We have written hundreds of letters to different banks like Bank of India, State Bank of India but did not receive any reply from them. Government has no control on the Officers working in these banks. My submission is that instead of giving subsidy of Rs. 5,000 to 10,000 on a loan of Rs. 25,000 to the unemployed under the self-employment scheme, government should provide them interest free loans of Rs. 20,000 in place of Rs. 25,000 for 10 years. Being it so, the unemployed will not have to pay bribes to the bank officials or face difficulty in connection with the subsidy. Moreover, he will get money for a period of 10 years to stand on his own legs and also he will not have to pay interest on the amount of loan. I hope that the Finance Minister will pay attention to the points raised by me.

My third point is regarding the Harijan colonies and particularly Indira Nirman Grih. Indira Nirman Grih have been built or are being built in Bihar. I want that the Minister should hold an enquiry with in time and see that the roof of these houses is 6 feet above the earth and the mud wall of one brick has been built up for these houses which supports the roof. I urge upon the Minister to see it himself in Bihar, that these walls may give in with the slightest push. Such is the position of construction in Harijan colonies and particularly in regard to the Indira Nirman Grih. Do you think that you are providing houses to the Harijans or laying death traps for them. I submit with a stress that in this way Budget allocations are being misused and being shared by the contractors, officers and the other working partners. It is also a fact that some of our colleagues also have stooped to a very low level. This is quite a basic thing and I insist that Government should take the question of alleviation of poverty quite seriously and should stop the misuse of public money.

In the end, I want to convey my whole-hearted thanks to the Hon. Prime Minister who took pains to pay a visit to Bihar to listen

to the woes of the people of Bihar at this time of the calamity they are facing due to earthquake which has rocked Bihar and caused a heavy loss of life and property. He has also sanctioned Rs. 30 lakh from his relief fund and provided all sort of assistance and medical care to our people amidst their difficulties. But the amount of assistance is not adequate. Report on loss sustained due to collapse of houses have been received here. I would like the Finance Minister to keep in view the loss of life and property suffered by the state and make a special provision in the Budget for the reconstruction of houses and ensure timely availability of medical care to the people. I want to say one thing about Baghra-Chhitoni bridge, the foundation stone of which was laid by our dear leader Shrimati Indira Gandhi who is no more, but the Government has dropped the scheme on the pretext that the amount of money which was to be shared by the Government of Uttar Pradesh and Bihar has not been paid by them. Thus, the entire scheme of Bagaha-Chhitoni has ended in smoke which a matter of great shame for the people of Congress. I shall insist upon the hon. Finance Minister who is present here, to provide funds necessary for the construction of the bridge for which the foundation stone had been laid by Shrimati Indira Gandhi.

Another point, as my friend Shri Swamiji has also stated, is about the proposal of the Government regarding the construction of road in the border area for its protection. I have already made a mention in this House on 2-3 occasions that a road has been constructed by China in Nepal from village Godariyan and arms and immunities have been dumped by them in an area covering 125 feet which is causing anxiety in the border areas of north Bihar. I had stressed that Government should connect Mishamodh on northern border by a national highway via that area, but no attention is being paid to it. The hon. Minister is sitting here, it is my request that he should get it sanctioned in consultation with the Planning Commission and other concerned authorities. It will ensure the security of the border areas of Bihar and Nepal. With these words, I support it.

KUMARI MAMATA BANERJEE

(Jadavpur): Hon. Madam Chairman, first of all I want to thank you for giving me an opportunity to make my submission. I wholeheartedly support the supplementary demands.

One of the procedures is the presentation of supplementary Demands for Grants and thereby Government has sought to raise Rs. 925 crores under it for their expenditure. It is very unfortunate that our country is reeling under floods and droughts and consequently, government has got to incur an extra expenditure to face the natural calamities. Until steps are taken to check the recurrence of these natural calamities, the situation in our country will not improve. Government is making its all out efforts in regard to the effective controlling of floods in a scientific way. In this connection, I want to draw the attention of the hon. Minister to two or three points.

Firstly, I support what Shri Dinesh Goswami has submitted. There is heavy price rise nowadays. The prices of commodities are skyrocketing. People are fed up of the constant price-rise. This matter has been raised in the House many times as to why the prices of commodities are rising. The common man, the fixed salaried class are the worst-hit. Still the prices have been increasing and posing a problem for them. To counter it, Government had passed the Essential commodities Act and the Consumer Protection Act. But not a single state Government is implementing it. Therefore, I want to request the Central Government to pay more attention to it and monitor it closely. The State Governments are not implementing it. The Central Government should pay attention to the fact that it is very essential for our country. Government has taken a number of measures for the welfare of the people. But I want to submit that the Government machinery which is responsible for their implementation is not capable. Even the Ministry for Programme Implementation is also not efficient and is not implementing the policies properly. I want to submit that it should be streamlined.

Another submission which I want to make is that it is necessary to pay more attention to the Industrial policy of the Government. When I was listening to hon. Shri Amal Dutta of West Bengal, I was expecting that he would say something about the industries in West Bengal. But he did not mention it at all and ended his speech with a note of protest against the heavy expenditure being incurred by the Rajiv Gandhi Government. He did not make a mention of the problems of his state. These sort of people are only a gossiping lot and we are the ones who work. I wholeheartedly support the submission made by Shri Dinesh Goswami and as regards the point made by hon. Shri Madhu Dandavate that Rs. 1632 crore of Indian money has been stashed in the Swiss Banks and that action should be taken against the guilty of FERA violations, I support it as well. Our money is deposited not only in the Swiss banks but also in the banks in Kathmandu. You may get an enquiry conducted into it and after negotiating with the Swiss Government and the Government of Nepal you should get those funds repatriated to the country and utilise it for strengthening our industries and for setting up new projects. It will benefit our country considerably and I support it.

Again, I also lend my support to several other points of the Industrial Policy of our Government. For example, without modernisation and adoption of modern technology, we cannot compete in the world market but our policy should not be to close down the industries because it will adversely affect our industrial policy. Recently, in my area, an employee of 'Scooters India Limited' committed suicide because he was jobless. In our state, 4 lakhs workers have been rendered jobless and government needs to pay attention in this direction. What should we tell the State Governments. They do not take any initiative. Shri Gokhale used to say that.

[English]

'What Bengal thinks today. India will think tomorrow'.

[Kumari Mamata banerjee]
[Translation]

What has happened to the economy of West Bengal after the Leftist Government has come to power. Today the industries are closing down there, people are not getting employment and the people in the Ruling Party are calling for 'Bengal Bandh'. They organised a 'Bengal Bandh' on 14th September and I want to know as to why did they do so? I also want to know from hon. Shri Basudeb Acharia regarding the closing down of industries as to why he does not request the hon. Chief Minister to consult the Hon. Prime Minister for finding a solution to this problem. (*Interruptions*)

SHRI BASUDEB ACHARIA (Bankura): We have approached the hon. Chief Minister several times in this regard.

KUMARI MAMATA BANERJEE: You only do politics. You organise 'Bengal Bandhs', 'Rail Rokos' etc. for your political ends, how many more 'Bengal Bandhs and other 'Bandhs' will you organise? It is affecting industria' production and the workers, they are the ones who are suffering losses, it is not affecting you at all. Today, the socialists, the Marxists have all become capitalists parties. They have set up such large-scale industries. But in my State 1 thousand big industries have closed down and 29 thousand other industries have also closed down and all this is happening on account of the wrong policies of the State Government. I want to draw the attention of the hon. Minister to it. The Central Government should make its own efforts because the State Government is physically handicapped and incapable fo doing anything in this regard. Therefore, the Centre should pay attention and improve the situation. Attention should also be paid to the Industrial policy and amendments should be made in it. Another point which I want to make is that a monitoring cell should also be set up for monitoring of those industries which are lying closed in the State. The Centre and the State should make concerted efforts for setting up of this monitoring cell as otherwise

what will be the fate of 4 lakh of unemployed people in our State. Either the Centre or the State must do something about it. Another request is that Government should give excise duty relief to the Metal Box company. The Bata company in West Bengal is lying closed since last one month and 3 thousand workers have been rendered jobless. The case of M.C.C. is also similar where 3 thousand workers have been jobless because of its closure 17 thousand people have been affected by the closure of the Steel and Oil Products Limited. Similarly, Biko Lawrie and Mohini Mills have been denotified and on account of it, more than 3 thousand workers have been thrown out of job.

So many industries are lying closed in our State Government should pay attention to it. (*Interruptions*).... Talks were held with Hon. Shri Vengal Rao in this morning today for the opening of these industries. Hon. Prime Minister had sent a note calling him to his chamber in this regard. He said that he will not be able to do anything. We said that if you decline to take any action, we shall sit on a hunger strike in the chamber We were told to go to the chamber of the Hon. Prime Minister. But we said that we would go to the Chamber of the hon. Minister of Industries. Either you take an early decision about the reopening of the industries or we will be compelled to resort to hunger strike in you chamber. (*Interruptions*)..... I want to request you to give an early clearance to the Bakreshwar Thermal Power Project and Haldia Petro Complex project. I want to submit to the hon. Minister of Communications also that telephone corporations exist in the metros of Bombay and Delhi but not in Calcutta. You should think about Calcutta. The position of telephones in Calcutta is deplorable. I also want to reiterate that the ban on recruitment should be lifted to provide opportunities of employment to the unemployed. I want to make another point. The poor unemployed youths have to pay Rs. 25 or Rs. 30 towards postal order for applying for various Government posts. It is not possible for them to pay such a heavy amount. It should be waited. This will enable the poor and the unemployed to apply for

Government jobs. Besides this, there was a case of adulteration of rapeseed oil in our State. 400 persons were hospitalised due to that case and in many families all the members have become paralytic. The affected people have not recovered so far. The State Government has given Rs. 500 for each of the victims. This will not do. I request the Government to give relief to these people from the Prime Minister's Relief Fund. A monitoring committee should also be set up for the implementation of the 20 point programme. There are many States which utilise the funds but no one comes to know about it. The M.P.s should also be included in the 20 point programme and a monitoring committee should be constituted to keep monitoring over the implementation of the 20 point programme. It should also be seen whether the funds allotted by the Central Government to the State Governments are spent by the latter or not. At present many district magistrates, block development officers, and leaders of political parties have got huge amounts of money. You should get it investigated as to how people who did not even have Rs. 5 have today got Rs. 5 crores with in such a short span of time and what is their source of income. Recently two boys of Youth Congress died in Bihar while resorting to agitation against adulteration in rape seed oil. Some arrangements should be made to provide employment to their family members. Shri Amal Datta said that the hon. Prime Minister goes on foreign visits and spends lavishly. The hon. Prime Minister will surely go on foreign visits because it is our custom; you have no customs. Will you tell the House about the expenditure incurred by your Chief Minister on foreign tours. There are many Ministers in our state who visit China and Russia and after their return tell us that a boiled fish was restored life. This should also be considered. I want to say something on the freight equalisation policy mentioned in the supplementary demands. You should make a uniform policy. This will be very good for the eastern regions because Bihar, Orissa, Nagaland, Tripura, Mizoram face a lot of problems under the freight equalisation policy. You should, therefore, make a uniform policy.

SHRI RAM NARAIN SINGH (Bhiwani):
Madam Chairman, I rise to oppose the supplementary demands. According to the policy, the Central Government has not found out any permanent solution to root out the problem in India, like, corruption, price rise, Punjab problem, poverty and unemployment. The Government has totally failed in solving any of these problems. I, therefore, oppose it. Since there are limitations of the time and it is not possible to discuss all these points, therefore I would like to say something only about garibi hatao. So far as the poor are concerned, India is a poor country where 90 per cent of its poor population live in the villages and 10 per cent in the towns. 80 per cent of India's population live in villages. The Government has formulated a number of schemes in the direction of removing poverty and the late Shrimati Indira Gandhi was the first one to give the slogan of garibi hatao, but today that slogan is getting week. Nobody pays any attention to it. Manipulated figures are shown in the papers and there is no change in the life in the villages as poverty has not been removed. On one hand the Central Government gives funds for the upliftment of the standard of living and eradication of poverty from the villages, on the other hand there is so much corruption that a major portion of the money provided by the Government is pocketed by the corrupt officers and do not reach the poor people. You people living in the cities cannot imagine the condition of those living in the villages. Today a Class IV worker, employed as even a sweeper, leads a better life than a common in the villages. He lives a better life as compared to the poor man living in the villages. Earlier people could earn something from the land and managed their livelihood, but with the imposition of land ceiling laws you have fixed the limit to 18 acres. I feel that its cost will be at the most Rs. 10 lakh. On the other hand, many people in the cities have properties worth Rs. 100 to 200 crores. You have never thought in this direction. No law regarding urban ceiling has been made. We are told that it is not feasible, not possible. But why? If all the buildings, shops and land are rendered surplus and factories are established then the common

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people as well as the Government will be benefitted. It has been said by the Members of the ruling party as well as of the Opposition Party that if the money deposited by the Indian citizens in Switzerland or other countries under the law is confiscated by the Government then the entire foreign loan of India can be paid and the economic condition of the country can be improved. The condition of the villages does not improve because the funds do not reach them. Our problem is that one year we are struck by floods and the next year we have to face drought, for which the Government has to spend thousands of crores of rupees. But when the Members of the ruling Party and of the Opposition give any suggestion, no one pays attention to them. We gave the suggestion that dams should be constructed on all these rivers of India which are struck by floods, so that their water may be properly utilised, canal may be constructed and electricity may be generated. If the villagers get the benefit of electricity, they will go prosperous. Yes, Pandit Nehru did pay attention towards this and Bhakra Dam was constructed during his rule, due to which Punjab and Haryana have become number one states in India. Pongdam is under construction in Punjab but it has not been completed even after 10 years. The Rajasthan Canal is also under construction since last 20 years but has not been completed till now. The construction work of S.Y.L. Canal started in 1976 when its expenditure was estimated to be Rs. 45 crores, but today it has increased to Rs. 366 crores but there is no possibility of its completion in near future. The provision of funds made by you in this Budget is inadequate. Similarly many other important schemes are lying incomplete since last 10 to 15 years. On the other hand there is no check on increasing wasteful expenditure in every government department. It is right that in the present situation defence comes first and enormous amount of money can be spent on it. Irrigation and electricity come next. If you formulate a plan and besides defence, you spend the whole amount in making the facility of electricity and irrigation available to the people, then may be that the

people have to suffer temporarily but the whole of India will go prosperous in the long run. Your slogan of *garibi hatao* will also bear fruit. But it seems that there is difference between the words and the action. You do not want to implement any policy properly. You should also see that people living in the areas struck by floods, other calamity or drought and where the crops were destroyed, should be given compensation. If the crop has been destroyed by hailstorm or by any other calamity then the farmers should get compensation. Due to such calamities families are ruined. We are proud that Haryana is the first state where the labourers and the farmers get compensation at the rate of Rs. 400 per acre where the crops has been destroyed by the hailstorm. They have now started a new thing that 5 per cent compensation will be given to the Harijans where destruction of the crop has caused by hailstorm. In this way the farmers should be compensated where drought and flood strike. Assam, Punjab, Bihar and Haryana are the states where floods strike every year. We spend every year but do not construct dams. If dams are constructed then the problem will be solved for ever, but the Government does not make any effort in this direction.

64 per cent of the total water in India goes waste as it flows into the sea and even after 40 years of independence, there is only 30 per cent irrigated land in the country and the rest of the 70 per cent land is fallow land. The Government is importing 20 lakh tonne foodgrains from America but you do not give appropriate price to the farmers in your own country. You have given the price of Rs. 173 per quintal for wheat. Do you get wheat at this price? The price was Rs. 200 even when the crop was there. In Delhi the price of wheat is Rs. 300 per quintal and in Punjab and Haryana it is Rs. 250 per quintal. On the contrary you fix a price Rs. 173 per quintal. In this way, instead of giving incentive, you are harming the poor farmer. Today the situation is such that whatever goods the farmer buys are expensive, their prices have increased, rather I would say that their prices have increased five time while the cost of the

farmer's produce has not increased in the same proportion. In 1967 a farmer could purchase a tractor by selling 200 quintals of wheat, but the situation today is such that he has to sell quintals of wheat in order to buy a tractor. In this way the increase in the price of foodgrains is comparatively less than those of other commodities.

The hon. Minister said that the price of fertiliser has been reduced by Rs. 8-9. Can such a small reduction be of any help? If the Government really wants to reduce the price of fertilisers all taxes on fertilisers should be withdrawn. Fertilisers should be available to farmers at cheap rates. They will never get benefit from mere lip service. People pay Rs. 2,000 for a room in a five-star hotel. On the other hand we see people staying under staircases in M.Ps' flats in Delhi. Families of such people have no protection against rain or cold. But the ruling party is blind to all this even though it is happening under its very nose. When a party comes in power it becomes blind to the country's problems and when it is out of power it becomes alive to the problems. So I request the Government to do something for the poor people, 90% of which live in rural areas. Such a step would only benefit the Government at the time of next general elections, otherwise they will have to face odds.

Madam Chairperson, the Government has introduced a crop insurance scheme. I call this a bogus scheme, a scheme which exists on paper only. Nowhere have crops been insured. In villages where crops have been destroyed due to drought, no farmer has received any compensation. Any of the hon. Members sitting in the House will confirm that everything remains at the paper-work stage. The crop insurance scheme should be a comprehensive one. In order to implement this scheme, all villages in a district should be considered as one unit.

Madam Chairperson, in Delhi which is the seat of the Government, village land is acquired at Rs. 15/- per square yard whereas its market rate is Rs. 1000/- per square yard. Land prices have gone upto Rs. 10,000/- per square yard in villages. After

acquiring land at Rs. 15/- a square yard, half of the profit is pocketed by the D.D.A. This is the condition in Delhi. I cannot understand why the Government does not favour prosperity in the farming community. The practice of acquiring village land at cheaper rates must be stopped.

In urban areas in a family of 10 members, as many as five members are in service, whereas in rural areas out of 100 families living in a village there is hardly one member of particular family is in service. The people in villages do not even dreamt of high-status jobs but they can at least be made peons, watchmen or jawans in the armed forces. Even this is not done. The urban poor are given jobs but not the rural poor. If the Government wants to remove poverty at least one member from every family must be given a job. It is often reported in the newspapers that 25% of the candidates qualifying the Civil Services Examination are from rural areas. This is not true because the actual figure is just 2%. In villages 5% of the population is rich. People who come into Government service are either wards of politicians or those with influence. They live in cities but give villages as their places of residence.

It has been reported in the newspapers that U.P.S.C. employees have been prosecuted for changing answer-sheets of candidates. If a candidate wants to verify his answer sheet, it is not shown to him. In the Universities, there is a practice of revaluation. Here even that is not done. If the answer sheet is shown, the Chairman will come to know of the loopholes and can take remedial steps to check the corruption continues and malpractices. In the given circumstances, a villager can not enter into higher jobs.

All members of the ruling party take loans from banks. Bribes are taken from villagers at the rate of 10% of the amount. An educated man cannot afford to spend Rs. 25,000 in bribes to secure a job and thus remains devoid of a job.

In every meeting I have objected to the tendency of 'Gramin Banks' to take bribes.

[Sh. Ram Narain Singh]

lakhs of villagers who have land up to two acres should be given a loan of Rs. 5000/- by the Government.

The Government should ensure that a villagers are given loans amounting to Rs. 5000/-, Rs. 3000/- or Rs. 2000/- without paying any kind of bribes. If such a thing is ensured, people will not have to look for agents to obtain a loan.

Before Independence the area from Rawalpindi to Gurgaon was called United Punjab. At that time there was a law that no person's Land would be disposed of by auctioned to recover the amount of loan. But this law was repealed after 1947. A law should be made prohibiting auction of land to recover the loans of the farmers owning 2-4 acres of land. Loans were waived at the time of the British. People belonging to the erstwhile Punjab state may be aware that the last Chief Minister Sir Choturam made the law for waiver of loans. But in the 41 years of Congress rule, loans of the poor have never been waived. Loans amounting to Rs. 2000, Rs. 3000 or Rs. 5000 are not being waived but the loans amounting to Rs. 4720 crores given to the high ups have been waived. Loans of rich people are waived without any qualms.

May I know from the hon. Minister why loans given to the rich are waived? Has any defaulter belonging to that category ever been prosecuted? Poor rural folk are imprisoned and their land auctioned to recover loans given to them. Loans of these people should also be waived.

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

15.00 hrs.

[English]

MR. CHAIRMAN: Before I call the next speaker, I would like to bring to the notice of the House that the time allotted for this budget is over; already we have completed

three hours and there are more members who would like to participate in the debate. What is the opinion of the House. Mr. Minister, what are you going to suggest?

THE DEPUTY MINISTER IN THE MINISTRY OF SURFACE TRANSPORT AND DEPUTY MINISTER IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI P. NAMGYAL): We have to finish the Railway Budget also today. If all the hon. members cooperate, then only it can be finished. But here the difficulty is that once a member gets up to speak, he will go on speaking without any time limit. In this way we cannot accommodate all the members. If the hon. members cooperate, we will try to accommodate all the members and at the same time we will take up and finish the Railway Budget also. Already we have taken so much time.

MR. CHAIRMAN: We have taken three hours. If all the members cooperate and take only five minutes each, we can finish it. So, I request the members to cooperate and finish their speeches within five minutes.

Shri Umakant Mishra

[Translation]

SHRI UMAKANT MISHRA (Mirzapur): Madam Chairperson, I support the Supplementary Demands for Grants. I take this opportunity to express my views.

We had good rains this year. For this we should thank Mother Nature and congratulate the farming community. A bumper harvest is expected if this favourable situation continues.

The hon. Finance Minister has sought funds for rural development. I want to express my views on rural development. The Seventh Plan is nearly coming to an end and the Eighth Plan is in the pipeline. Our Hon. Prime Minister and hon. Finance Minister have resolved to develop villages and remove poverty and unemployment from the rural sector. Removal of unemployment was

the slogan adopted by the All India Congress Committee at its meeting held in Madras. Such a slogan is most welcome.

We will have to make provisions in the Eighth Plan to remove unemployment in rural and urban areas, specially among the educated unemployed.

One of the ways to do this is widespread industrialisation of rural and backward areas. The number of educated unemployed has increased in our country. Large number of engineering graduates, diploma-holders in technical trades, B.Ed's, B.T.C.s, scientists and doctors are unemployed. The ranks are increasing everyday. People with High School, Intermediate, B.A. and M.A. qualifications are sitting idle. A solution should be found to such a serious problem.

To prevent the situation from becoming unmanageable the Eighth Plan should have ample provisions for employment to technical, non-technical, scientists and other educated unemployed people. The announcement of our Hon. Prime Minister to tackle poverty and unemployment is a welcome one.

In order to do so, the Government needs to spread a network of cottage industries, small, medium and large-scale industries at the rural level. Industries should be decentralised. Development blocks should be taken as a basis for providing facilities and concessions related to industrially backward areas. Development blocks should be declared industrially backward. Development blocks should be declared as backward areas.

In the end, I would like to speak about my parliamentary constituency. 11 development blocks of the three tehsils namely Mirzapur, Gyanpur and Bhadauhi in my constituency, and the backward blocks of every district in east Uttar Pradesh should be declared as industrially backward areas and facilities and concessions should be given to the entrepreneurs for establishing new industries so that unemployment and poverty

in the backward areas can be eradicated and the people in rural areas may prosper.

With these words I support these demands.

SHRI MOHD. AYUB KHAN (Udhampur): Madam Chairman, I am thankful to you for giving me an opportunity to express my views, but time allotted to me is so short that I cannot go in detail. I would confine myself to only one issue that is the major problem of maintaining the unity of the country which is being faced by our country at present. So we should try to find out the reasons which are threatening the unity of the nation somewhere in the name of communalism and at some other place in the name of language or regionalism, I think that this apprehension can be warded off if the Government formulates a policy to provide equal opportunities of progress to all at a uniform level.

Unfortunately when we go through the record of the past 40 years, we find that some states have made a fast progress due to their geographical or topographical situation or for some other causes, while some others as compared to them have been lagging far behind. Even in these States, some regions have prospered and some others have been trailing behind. It needs realistic appraisal at present and the Eighth Five Year Plan which would be prepared accordingly, should be need based and a realistic one so that we can remove the irritants and the causes responsible for tension among them.

In the present circumstances, there is a need to review the method of central assistance. For instance, Jammu and Kashmir comes under special category State. But central assistance is not being provided to them according to the special category norms and the way it is being provided to the other eastern regions of the country. Usually, other States belonging to this category get 90% of the amount as grants and 10% of that as loans while Jammu and Kashmir get 70% of it as loans and 30% of it as grants. This difference creates major problems. The

[Sh. Mohd. Ayub Khan]

grant which is sanctioned for maintenance.....

So far as resources are concerned, Central Government is providing assistance in this way.

[*English*]

This pattern of Central assistance puts a very heavy strain on the resources of the State. The Non-Plan deficit for the Seventh Plan period has been determined at 438.68 crores as against 215.24 crores in the Fourth Plan. A major portion of this deficit is due to repayment of central loan and interest thereon. Because of the huge non plan deficit, the State's Seventh Plan has got step up of only fifty five per cent over the Fourth Plan (Rupees Nine hundred crores) which was much less than is the case for most of the other States.

[*Translation*]

The Government should remove this discrepancy.

[*English*]

Inadequate grant available for maintenance of capital assets.

[*Translation*]

An amount of Rs. 75 crores was worked out as expenditure for the Sixth Five Year Plan which had gone to the extent of Rs. 338 crores after its recalculation on the basis of growth rate. But against this amount the total amount sanctioned by the Central Government stood at Rs. 122 crores. As a result of it, we lost an amount of Rs. 215 crores out of Rs. 1400 crores meant for our State for the Seventh Five Year Plan.

[*English*]

This distortion needs to be removed by making a realistic appraisal of the States Plans.

[*Translation*]

In the matter of grants, Central Government is not doing justice with us.

[*English*]

The Eighth Finance Commission has provided Rupee Forty five crores for upgradation of programme of various Departments in the State administration. The Finance Commission recommendations give elaborate guidelines and the phasing of these programmes both in terms of physical and financial outlays for each year of the report. These proposals formulated by the Departments are first to be approved by the State and then by Inter Ministerial Empowered Committee.

[*Translation*]

As a result, the Central Government delays the release of the sanctioned amount which in turn, is not invested properly. So attention should be paid to solve this problem.

There is a restraint for us even in regard to the institutional finances. The time at my disposal is short. Hence, I would like to urge that the discrepancy in regard to the institutional finances should also be removed. I have got the facts and figures for the year 1986. The total expenditure incurred on industries and public sector at the national level amount to Rs. 40 crores but Jammu and Kashmir gets just Rs. 7 crores which is only 0.02 per cent of the total.

People say that it creates some irritants. So far as public sector is concerned, justice is not being done with Jammu and Kashmir. We are grateful to the Hon. Prime Minister that he has been taking personal interest in the development of this State for the last two years. Similarly, many other schemes have been lying incomplete. For instance power. I want to provide you some information about it. Ten thousand kilowatts of electricity can be generated at Chinab basin. Besides, this, there are many other projects which require

funds First stage of the Salal Project has been completed. But the work of the second stage is yet to commence. In the same way, there are several other projects like Sawal Kot Project, Bagliar Project and Dool Hasti Project. The major problem with us is that of want of energy. Electricity can be generated in our State but that requires a substantial capital. Moreover, firm determination is required to overcome this power-shortage. This state is, in fact, capable of supplying power to all the States of the country. It would also be able to eradicate unemployment and poverty. Mini hydel projects require less expenditure. Attention should be paid to it. Supplementary grants are presented in regard to the Ministry of Water Resources. I would like to urge that so far as Ravi Tavi Project is concerned, the State Government has got the responsibility of preparing the distributory system and the Government of Jammu and Kashmir has completed 90% work of the distribution system. But construction of Shahpur Kandi barrage for the utilization of the money spent on Ravi-Tavi Irrigation complex was the responsibility of the Government of Punjab. Unfortunately, the Punjab Government could not find time to complete the Shahpur barrage. Besides this, the Government of Jammu and Kashmir has also its share of water in the Ravi Project. The river Ravi passes through Punjab as well as through Jammu and Kashmir. Innumerable people of our State have been rendered homeless and no measures have been taken for their rehabilitation. I would only like to draw your attention to this problem. I do not want to take much time and with these words I conclude my speech. I am thankful to you for giving me an opportunity to speak.

*SHRI R. ANNANAMBI (Pollachi): Hon. Madam, Chairman, I support the demands for grants in respect of Budget (general) for 1988-89 on behalf of AIADMK.

Madam, I am extremely sorry to say that Tamil Nadu is being neglected as far as industrial development in the country as a

whole is concerned. For the past many years, no new industry has been set up in Tamil Nadu. Permission was also not accorded to start any new industry in the State. For the past 4 years I have been appealing to the government to set up at least one small industry in Pollachi, which is my Parliamentary constituency. The government is unmoved. I hope at least by this time government would think of setting up a small industry in Pollachi. I appeal to the Hon. Minister in this regard on behalf of the people.

Electricity is essentially required for industrial production and development. On many occasions the Tamil Nadu government made repeated pleas to the Central Govt. for permitting to set up power stations in the State with a view to increasing the industrial development. The Centre government is yet to grant permission to those requests. I urge upon the hon. Minister to give clearance to all the power projects proposed by the State Government and pending with the Central Government.

Coal is an essential input for thermal power production. Two years back, Tamil Nadu did not have sufficient coal for thermal power production and an acute suffered. The state government sought the clearance of the Central Government to import coal mined in Australia which contains less ash content. That was not permitted by the Central Government. Unless the Central Government cooperates and lends a helping hand to the State, the industrial development of the state is bound to suffer. It's economic development will also suffer.

Madam, at present, there is a separate education policy of the Centre and States have their own education policies. People do not get a clear picture and often the education policies of the centre and a state do not coincide. This results in confusion among the public. It is high time to consider whether this sector should continue to be administered both by the centre and the states. I feel that education should be the sole con-

* Translation of the speech originally delivered in Tamil.

[Sh. R. Annanambi]

cern of the State. Then only they will be able to fulfill the regional aspirations. Clashes on the basis of language and culture would not occur. The Central Government advocates three language formula and the Tamil Nadu Government recommends the two language formula. This causes confusion. If education is purely entrusted to the respective States, this confusion can be avoided. The State Governments can cater to the regional needs of the people. The States know well the culture and linguistic affinities of the respective population and govern the people accordingly, thus, clashes on parochial considerations would not certainly occur.

I also urge upon the government to impart compulsory technical education to all. Compulsory technical education should be imparted in all the States. This would instil confidence in the minds of youth and unemployment would be automatically removed when youths take to self-employment.

The government should increase the number of adult education centres. Adult education centres should be set up in all the villages. That would open the eyes of our aged, illiterate population

I would also like to share a bit of my personal opinion about the malpractices prevailing in educational institutes. In private educational institutions in Tamil Nadu, capitation fees in crores are being charged. To get admission in a Medical College, one has to pay 3 1/2 lakhs. A doctor graduating out of that college will think in terms of making up that amount while practising his profession and, therefore, cannot be a honest citizen of this country. These malpractices must be checked. Institutions charging capitation fees must be proceeded against.

Let me say a few words about agriculture. Madam, the agricultural produce of a particular State must first be utilized for the needs of that state and the remainder, then, be transported to other parts of the country for consumption. Farmers in Tamil Nadu are under distress due to drought conditions.

The prices for their produce must be increased and remunerative prices must be paid to the farmers. The continuous drought conditions, flash floods and hailstorms have affected severely the small farmers. Considerable damage has been caused to coconut and plantain trees. A Central team has also visited the sites: I, therefore, request the government to write off the cooperative loans of the poor farmers.

I also request the Hon. Minister to take steps to provide free electricity to adi dravida villages. Drought condition has affected the poor agricultural labourers also. They work in the fields all through the day but they do not have shelter to sleep at night. An exclusive housing scheme must be evolved by the Central Government for providing houses to agricultural labours in Tamil Nadu through slum clearance boards.

Oil has been found in the Cauvery basin. In Narimanam area, oil is being extracted. The oil so obtained and refined should first be used to meet the demands of the State. Then it can be transported to other parts of the country.

Villages are the backbone of Indian economic development. Ration shops should be set up in all villages. Small industrial units should be set up in the villages. Cooperative handloom industries must be set up in all the villages. Preference in employment in these handloom mills should be given to women particularly widows and Harijans.

In Tamil Nadu, many people have applied for telephone connections. Doctors, newsmen, traders and other professionals have applied for telephone connections. Lakhs and lakhs of such applications are pending with the telephone department. The economic development of the State continues to suffer on account of non-clearance of the telephone connections. Telephone connections should be provided to doctors, newsmen and traders as they are contributing to the economic development. In Coimbatore, the editor of a newspaper "Daily

Thanthi" applied for a telephone connection. I also talked to the officials concerned and requested to provide the connection. My request has not been acceded. I urge upon the hon. Minister to accord preference to newsmen in the matter of giving telephone connections.

Lastly, Sir, Dr. M.G.R., the former Chief Minister of Tamil Nadu who identified himself with the National mainstream and who implemented a number of programmes to alleviate the miseries of the poor and down-trodden is no more with us. 8 months have passed since he died. No samadhi has so far been built over his graveyard. I request the hon. Minister to take immediate steps to construct a Samadhi on the site where his body was buried and beautify the same. With these words, Madam, I thank you for the opportunity given.

SHRI JAI PRAKASH AGARWAL (Chandni Chowk): Mr. Chairman, Sir, I rise to support the supplementary demands presented in the House and would like to request the hon. Minister that the provision of amount made for the sanitation in some of the colonies of Delhi and for shifting of certain dairies is inadequate. I would like to tell the hon. Minister that the actual position of Delhi is quite different. You might have seen that in the last few years a large number of people have come in Delhi and settled here, the result is that a large number of Resettlement and J.J. Colonies have come up. The provision you have made for their development is not adequate. For this purpose a demand of Rs. 106 crore was made so that all facilities like roads, sewerage, drinking water etc. may be provided in those colonies. These facilities could not be provided to them because of the shortage of funds and 40 to 50 thousand people in these colonies are deprived of these facilities. Navjivan Colony, near Kalkaji is one of such colonies. A provision of Rs. 10 or 20 crores made for the development of these colonies is not adequate. You will have to provide more funds for them only then it will be possible to take them out of the hellish life. Cholera epidemic was an example, conditions may

go still worse, if the Government could not control it and provide more facilities there.

Old Delhi, though centuries old, looks like a resettlement colony. Recently, 100 houses collapsed in the two day's rainfall. Once, late Prime Minister had visited Old Delhi and prepared a scheme for that area but that scheme was abandoned. The money was diverted to slum properties and was not made available to the people living in slum Katras. Today, the position is that twelve people are living there in a small room in different shifts of 6 hours. Even the sunlight does not reach those Katras. I would, therefore, like to request that besides providing money for the development works in Resettlement and J.J. Colonies, money should also be provided for the development works to be undertaken in old Delhi and slum Katras in order to take people out of that miserable life.

My second suggestion is that the garbage dumps constructed in side the colonies in Delhi be removed. On one hand we claim to enter the 21st century and on the other hand there exist garbage dumps in old Delhi which are the breeding centre of mosquitoes and other insects and which continue to stink. You would not be able to breathe for half an hour if you happen to pass by those dumps. But people are still living there. Their kids are dying in such unhygienic conditions. In this connection I am to say that a machine may be installed by which this rubbish may be crushed and removed from there so that the people living in that area may be liberated from the hellish living. Similarly, sewage system there is very old and the water pipes are also very old. The sewage water leaks into these underground drinking water pipes and such a contaminated water can neither be used for drinking purposes nor for any other work. The Government should, therefore, provide funds for the scheme formulated for the development of old Delhi so that the difficulties of the people may be removed. My another submission was that times and again we have to make requests to Haryana Government for drinking water supply to Delhi. Some permanent solution should be evolved for providing drinking

[Sh. Jai Prakash Agarwal]

water in Delhi. It was just a few days back that they refused to supply water and the result was that there was no drinking water in Delhi. How long we will go on requesting them? Suppose, Haryana is governed by the party other than the Congress then, can't they refuse supplying water to Delhi. Will the people in Delhi die thirsty? It was wrong to say that no water will be supplied to Delhi. Everybody should get water, be may be living in Haryana or in Delhi. Nothing can be more cruel than imposing a ban on water.

Similarly, I would like to draw your attention towards the wasteful expenditure being incurred by the Government. On one hand, there are no funds to undertake the public welfare works, while on the other hand underground parking is being constructed in Chandni Chowk at a cost of Rs. 5 crores. I could not understand why such a big amount of 5 crores of rupees is being spent on constructing an underground parking at a place where traffic will remain jam for 3 hours daily due to incoming and outgoing of 100 vehicles, where the light is not available for eight hours, where the Chains from the necks of the ladies going on road are snatched, purses are snatched and where stereos are stolen from the cars. The Police department has also not given the no-objection certificate for the construction. There will be murders and the people will be looted. I, therefore, request that Government to stop it and divert these funds to be utilized on the welfare programmes for needy and the poor people.

The power supply in Delhi is very erratic. Sometimes we do not have power supply for 8 to 10 hours at a stretch. The cables are 50 years old. Street lights are in deplorable condition. The generation capacity is inadequate. Old transformers are blasted off every day. I would, therefore like to request the Government to pay attention towards old Delhi so that the people of that area may get some facilities and they may be benefitted.

SHRI CHANDULAL CHANDRAKAR
(Durg): Mr. Chairman, Sir, I support the supplementary demands being discussed in

the House. I would like to discuss two-three big projects which are under consideration of Central Government and some of them have been approved.

There are two big dam projects in Madhya Pradesh—one is the Narbada Dam Project and the other is Bodh Ghat Project. I will not take much time. Therefore, I would like to say in brief that the 'Sal' Trees are found only in three countries of the world one is Bangla Desh, second is Thailand and the third is this area in India, where the Narbada Valley Project and Bodhghat Project are to be constructed. A 'Sal' tree accumulates under ground water in a year equal to the capacity of a well. This is the only tree in the world which can accumulate so much quantity of underground water and even then the Bodhghat Project of Baster is under the consideration of Government. It is correct that it has not been cleared so far. I, therefore, request the Government not to clear these two projects. If these projects are cleared, contractors will go millionaires and the tribals will be no where and the whole Chhattisgarh region will go a desert. These will the three results.

Narbada Valley Project has been cleared by the Government but the matter has been taken to the court. I want to submit that there are lakhs of Sal trees in this area and the cost of each tree is more than 5 thousand. Crores of rupees can be eared by selling these trees and the Government will have to give not a single penny for Bodhghat Project. But the Government is providing funds for this, where this money will go nobody knows. I, therefore, request the Government not to clear this Project. If it is cleared then all trees will be cut down, whole area will be converted into a desert and there will be not water in that area. As regards supply of water to Gujarat, I would like to say that after 20-30 years there will be no supply of water to Gujarat because there will be no water for supply. I would, therefore, like to request the Government not to clear this project.

Government should construct stop dams on all the 14 big rivers in Madhya

Pradesh. It will create great irrigation potential in the State. There is a vast area of agricultural land in Madhya Pradesh and the irrigation facilities are almost nil. Unless stop-dams over these 14 rivers are constructed we will not get desired success and the Central Government will have to invest crores of rupees for the purpose. Instead of constructing river valley projects, Government should construct these stop-Dam projects. Then only, the state may go a prosperous state.

On the one hand, Government want to clear Bodhghat Project to the people of Bastar which they do not want and on the other, Government is not acceding to their long outstanding demand for laying a Railway line between Bastar and Bhopal. The matter has been under consideration since the time of Late Shri Lalit Narain Mishra but this tribal belt has not been connected with railway line. Our Prime Minister sanctioned an amount of Rs. 500 crores for the development of Bastar, but what happened to this big amount nobody knows. We shall be grateful if something is told about this.

Today, almost all the hon. Members have said that there has been good rains this year in the country. But, it is the most unfortunate that there has been no rainfall in the month of July, August in the Durg and Raipur district of Madhya Pradesh. There is a drought like situation in that area. The Bhilai Steel Plant, in which four thousand crore rupees has been invested by the Central Government, is located there. People working in the Bhilai Steel Plant takes water from the near-by canal there. There is a Shivanth river in the vicinity. It is a strange that whole of the Drug district is facing almost drought conditions but there is a flood in this river. If the Bhilai Steel Plant takes water from this river from the month of July to December, it will serve two purpose. On the one hand flood will be controlled in Shivanth river and on the other the canal will be able to provide more water to farmers for irrigation purposes.

It is generally complained that industri-

alists do not set up job oriented industries, which could provide employment to a large number of unemployed youths. It is a fact. They should set up job oriented industries. Just the reverse is going on in Bhilai Steel Plant. In my area, there are 75 rolling mills in which 25 thousand workers are employed. 35 thousand tons of billets and slabs manufactured in Bhilai Steel Plant are sent to other places for distribution, due to which 75 rolling mills located in our area hardly get 200 tons of the substances. I fail to understand the policy of the Government. It is declared policy of the Government that the raw materials are provided to the factories set up in a particular area locally available so that expenditure incurred on freight could be avoided. You have also promised that Bhilai Steel Plant would be given 180 megawatts power, but now, only 130 megawatts of power is being supplied and a penalty is being levied on it. Why are you doing all this. It is very necessary to provide 180 megawatts of electricity to the Bhilai Steel Plant. In addition to it, all steel plants are required to be modernised which involve some additional expenditure. It is absolutely essential because production cannot be increased without it and increased production has the direct bearing on the living condition of workers employed in Steel Plants.

My third suggestion is regarding selection of beneficiaries for self-employment under I.R.D.P. and other schemes to ameliorate the lot of the poor. It has been rightly said that the procedure is faulty. Even income-tax payers are being selected under self-employment schemes. They owe properties also. Hence, so long as the persons guilty for wrong selections are not punished, this malpractice will continue to be practised.

Before I could conclude I would like to submit that as we are facing drought this year, assistance may kindly be provided to the extent possible as also billets and slabs be supplied to the rolling mills of the area from Bhilai Steel Plant, so that the 25 thousand workers employed there could get more work and unemployed youths of that area could also get employment.

[English]

SHRI CHARANJIT SINGH WALIA (Patiala): Mr. Chairman, we are discussing in this House today the Supplementary Demands for Grants put before this House. I cannot support these demands. The Government needs it because it spends on unproductive items, wrong planning. It should rather try to mobilise its own resources for the various projects and schemes. It should take strong and stern steps to bring out black money. It should take strong steps against the economic offenders who are playing havoc with the economy of this country. This is a common talk that there is corruption in the higher political circles and corruption is the fashion of the day. We have been discussing this problem whether it was in the shape of Bofors or the Submarine deal or the Fairfax deal or the other scandals which rocked this whole country and which was also discussed in this very House. The Government, I feel, is reluctant to take steps to stop smuggling, whether it is gold smuggling or smuggling in narcotics or other intoxicants etc. because morally when they accept hundreds of crores of Rupees as commission, how can they curb this menace of smuggling which is eating the very roots of our economy. This is responsible for the lopsided development of the whole system in our country.

I should suggest to the Government that they should come out with radical, drastic and progressive measures to put a ceiling on urban property so that the property or the money is utilised for the poor sections of the people and the resources are utilised in those sectors where they are needed the most. Punjab was the most progressive State; perhaps, that is so even now in spite of the best efforts of the Government of India to wreck that State economically by creating the present Punjab problem and by lingering on it — they do not want to solve it. They should take steps to solve it. They have played with it for sufficiently a long time. About five or six years have passed. Now they should try to bring normalcy to that State. They have played with the people of

that State for sufficiently a long time. We have heard that, in such a situation, every sector of that State is affected; the development works have suffered. We have been listening for a pretty long time from responsible persons in the Central Government and the Punjab Government — even the Governor of Punjab has been saying so many times — that the Prime Minister of India is very much anxious to announce some development package programme, he is very much interested in the development of that State, he is going to announce so many schemes for the development of that States. The Rs. 1000 crores development package programme has been in the air for a pretty long time. We are surprised who has stopped the Prime Minister from announcing that package programme. Why is he not coming out with the details of that? In that State, which is primarily an agricultural State, agricultural production has almost touched the saturation point. So, that State needs industrial development. The Centre should come out with some major Central, industrial projects which are there for a pretty long time; for example, petrochemical project, electronic switch system project, video cassette recorder project and some projects based on agro-industry. This will help in the industrial development of that State and this will also provide employment opportunities to the educated as well as uneducated young people who are allowed in the absence of employment opportunities to other adventures. Punjab should be declared 'A' class industrially backward State for some period at least for five or ten years as has been done in the case of Jammu and Kashmir and Himachal Pradesh so as to give incentives for the industrial investment in that State. In Punjab, 66 blocks out of 118 blocks have no industry at all. Ghanaur, Bhunarheri and Samana blocks of Patiala and Samana Lehra Gaggā blocks in the Sangrur division have no industry at all. Government should develop industries in that area.

Similarly, all the resources of hydel power have been tapped there and that State needs the power which is the back-

bone of every activity whether it is agriculture or industry. I would request the Government to approve the third stage of the Bhatinda Thermal Plant, third stage of the Ropar Thermal Plant and also a gas-based power plant to that State. They should also come out and sanction the atomic power plant which is hanging for the last decade or so. An Expert Committee has already toured the country and they have selected the site at Patran in Patiala District and Chanikaur Sahib in the Ropar District. They should give justice to that State instead of having political considerations instead of seeing everything from the political angle they should come out with broad-mindedness to help that State in its endeavours for the development of power and industry and other things.

15.58 hrs.

[MR. DEPUTY SPEAKER *in the Chair*]

On the other hand, the Government is spending a lot of money on the security forces on the para-military forces on par and that is a big drain on the resources of the State. They are always banking upon the security forces for the solution of the problem in their State. Basically, this problem is a creation of the Government itself. Instead of spending so much on ammunition, on equipment, on the security forces, they should solve the Punjab problem and divert the amount which is being used for security forces, on the development of the country.

Recently, State has suffered hundreds of crores of rupees due to floods. Property, live-stocks, human lives, roads and everything worth, perhaps, three to four hundred crores of rupees have been lost. Patiala and Sangrur districts are the worst sufferers.

I would request the Hon. Agriculture Minister and the Central Government to give liberal aid and assistance to the people of Punjab who have suffered a lot due to the recent floods.

16.00 hrs.

In the end I would request the Govern-

ment to announce the once thousand crore development project or the package deal for the State. They should also give liberal aid and assistance to the State so that it tries to stand on its feet because it has in the recent past suffered a lot due to uncertain situations and conditions in the country.

I cannot support these Demands. I would request the Government to mobilise its resources by taking stern and strong action against economic offenders and smugglers and also take stern action to root out corruption from higher political circles.

I thank you Sir for giving me this opportunity.

16.01 hrs.

STATEMENT RE: DAMAGE DUE TO
EARTHQUAKE

[*English*]

THE MINISTER OF AGRICULTURE (SHRI BHAJAN LAL): Sir. As Honourable Members are aware, an earthquake shock struck Eastern and North-eastern parts of the country at 0439 hrs on Sunday, the 21st August, 1988. Its epi-centre lay about 70 kms. northeast of Darbhanga near the Bihar/Nepal border. It had an intensity of 6.5 on Richter Scale and a focal depth of 20 kms. Another tremor, of somewhat less intensity and with approximately the same epicentre, followed 15 minutes later at 0454 hrs.

The most serious impact of the earthquake fell on Dhar. The worst affected districts in Bihar are Darbhanga, Madurai and Munger. The earthquake also affected Saharsa, Motihari, Beth and Hazari Bagh. Besides Bihar, the earthquake impacted on West Bengal, Assam, Sikkim and Tripura. Shocks were felt in Darjeeling, Kalimpong, Kursiang and Calcutta in West Bengal; but loss of life has been reported only from Bihar. No information has been received of damage to National Highways. Nor is there any information about damage to major irrigation projects. Also, it would appear that no major damage has been caused to public