

[English]

14.33 hrs.

The Lok Sabha re-assembled after Lunch at Thirty Three Minutes past Fourteen of the Clock.

(MR. DEPUTY-SPEAKER in the Chair)

GENERAL BUDGET—1995-96—GENERAL DISCUSSION;
DEMANDS FOR GRANTS ON ACCOUNT (GENERAL),
1995-96;

AND

SUPPLEMENTARY DEMANDS FOR GRANTS
(GENERAL). 1994-95

MR. DEPUTY-SPEAKER: Before I call Dr. Debi Prosad Pal, I would like to bring to your notice that the total time allotted for this discussion is 10 hours. The break-up of each Party is as follows:— Congress (I)—four hours and thirty minutes; BJP—two hours and two minutes; CPI (M)—38 minutes; Janata Dal—25 minutes; CPI- 15 minutes and so on. So, let us adhere to the timings strictly.

14.34 hrs.

DR. DEBI PROSAD PAL (Calcutta North West): Mr. Deputy Speaker, Sir, I rise to support the Budget presented by the hon. Finance Minister for the year 1995-96.

I was listening with great interest when Shri Jaswant Singh was making his speech. I have great respect for him. I agree with him when he said that the hon. Finance Minister is presenting the Budget for the fifth occasion. I only want to add that this is a unique feature in the life of a Finance Minister of any country that he had the occasion to present the Budget for the country on five successive occasions.

But I was pained to learn when he was saying that the budget presented by the Finance Minister was nothing but a self-adulation. I have respect not only for what he says but also for how he says. For his rhetoric effusion also, I have an equal respect. But I was wondering how this budget is a self-adulation. Borrowing his own words, he said that the budget is not merely an accounting exercise of the receipts and expenditures of a particular year, it reflects the economic philosophy of the Government, it represents and reflects what the Government has achieved up-till now and what it proposes to do to reach the economic goal for which the budget is to be presented before the nation. Now, if this aspect is taken into account, there is no self-adulation. The Finance Minister has presented before the House what is the achievement which the Government has made and what are its pitfalls, what are the lapses and what it proposes to do for the future.

One must not forget that in June 1991, when the present Government took over the power under the leadership of our Prime Minister, Shri P.V. Narasimha Rao, the financial condition of the country was in a state of collapse. It is no good saying that every time, on all the five occasions, he has repeated the same thing. It is a matter now well known to everybody. In June 1991, when the present Government came into power, our industrial production was only half per cent. Our foreign exchange position was not even adequate to meet a fortnight's requirements. The inflation rate was the highest ever, that is, more than seventeen per

cent in August, 1991. That was the state of economy which we inherited from the earlier Government. The Government, therefore, had to take measures, both short-term and also long-term. To tide over the crisis, the Government had to take certain short-term measures which I need not repeat here for the constraints of time. When the crisis was tided over, the macro economic measures in the form of the New industrial Policy, New Trade Policy and New Taxation Policy, have been evolved, as a result of which, our experience for 1992-93 and 1993-94 yielded satisfactory results. And that was the period of economic or financial consolidation of what we had achieved through these years. The Government's ultimate goal is to reach the fruits of our economic development to the common people. That is why even in the previous year and even in the earlier year also, the thrust of the Government's financial policy was how to improve the economic conditions of the rural people. The Finance Minister made no secret of it. In the present budget he has shown that our policy is to make an anti-poverty programme, our policy is to improve the employment position in the rural sector of our country and our economic goal is that the fruits of the economic growth must reach the weaker sections of the community. That is why the present budget is primarily based upon that objective.

When Jaswant Singh Ji was saying that the Budget does not present anything but merely makes changes in certain rates in direct taxes and indirect taxes, I was rather pained to learn about it. The taxation policy of the Government is a means to an end. The end is how to stimulate the growth.

The end is how to improve the economic development—both in agricultural and also in industrial sector. The twin objectives are to balance economic growth with socio economic justice and that is why this Budget primarily aims at removing the poverty of the people and various measures have been taken for that end. Now we must now forget that this Budget is a continuation of the policy, a policy which has been started since June, 1991. The effectuation and implementation of the policy have been made through these earlier years and it has borne results and the result is that our economic growth today is 5.3 per cent whereas when the Government took over it was only one per cent. Our industrial growth was half per cent when the present Government came to power. Today it is 8.37 per cent and in the manufacturing sector it is 9.2 per cent and in the capital goods sector it is 24.7 per cent. Now this is the achievement which is the result of our new economic policy.

When this policy was enunciated by the present Finance Minister in this House, there were many hon. Members who were haunted with the ghosts of economic subordination to the foreign countries and even today I found a relic of that in the speech of Shri Jaswant Singh. We can see with certain amount of satisfaction that the policy which was enunciated by the present Finance Minister, under the leadership of our Prime Minister

Shri P.V. Narasimha Rao, is proving good. Even though initially that was subjected to some criticism because of misunderstanding, now there is an emergence of a broad national consensus among almost all the different political parties.

Shri Jaswant Singh was saying that national consensus does not mean consensus among the political parties but among the people at large. Unfortunately, I have to remind him that when there is a national consensus among political parties, the parties represent the people in a democratic constitution and in a democratic country and, therefore, if there is an emergence of a national consensus, it naturally can be said that the people are behind that policy. What is the achievement? The Left Front Government in West Bengal, who have criticised it earlier, now have understood the efficacy of this policy. It is understood that the new economic policy means liberalisation of our economic activities, both in trade and in our industrial policy and also in our foreign exchange and in all the other activities of our economic life. As a result of this liberalisation, the Government wants to liberate the economy from the cobwebs of bureaucracy, controls and licences. It was pointed out by Shri Jaswant Singh that : what about liberalisation policy? We have still enough controls. Unfortunately, all of it cannot be remedied on a single day. But the major thrust of the Government is to remove all these controls and licences as a result of which there is a large flow of direct equity investment of the foreign investors and also our internal investments. .

We have seen how our foreign exchange position has improved. Our foreign exchange position was 1.1 billion dollars in June, 1991 and now it has come to over 20 billion dollars. Therefore, the position of our foreign exchange is so strong that although initially we started certain squeezing or restriction on imports, now we have liberalised it because of the reason that our foreign exchange position is adequate enough to cope up with such a situation. Our exports increased from 17 to 20 per cent in 1994-95. Now the foreign exports finance more than 90 per cent of our imports. Earlier foreign exports would finance not more than 60 per cent of our imports. That is the economic scenario which any Finance Minister, if he is to present the picture before the country, is to narrate. It is not the case of self-adulation. But, at the same time, the hon. Finance Minister has pointed out certain difficulties which have arisen.

For example, we still have inflation which we are trying to control. From 17 per cent we have reduced it to 11 per cent at present. Our deficit could not be kept within the desirable limit but at the same time efforts have been made and are being made to control this. The Economic Survey has pointed out that inflation is primarily caused due to two reasons. Firstly, the money supply has increased beyond the projected level of 16 per cent. The Government has taken steps to tighten monetary policy of the country. The other reason is the increase in foreign exchange reserve and there also the policy has been undertaken for the purpose of seeing that this is not

frittered away for rise in prices. Now, that is the position which the country has achieved. It is a matter of great satisfaction for any Government which is in power for the last few years. Now the whole crisis has been tided over and we are on the path of revival, we are on the path of self-sufficiency and we are on the path of competitiveness through which alone Indian economy can survive. This has been thrust upon us by the needs of the international and national situations. The collapse of the Soviet Russia, emergence of Eastern States in Europe, the emergence of China and the emergence of South-East Asian countries on the economic arena have brought the imperative need for the country to develop a feeling and sense of competitiveness, self-sufficiency and efficiency. There is no good saying that there is no economic independence. The China is one of the leading Communist countries in the world and their foreign investments are eight or nine times more than that of India. Nobody can say that because of the foreign investments China has surrendered its economic sovereignty to the world body. Similarly, in all the five Communist countries, the foreign investments are much higher than what India has.

Today, when we are on the path of revival by the adoption of macro economic measures continuously, the Governments attention is on how to remove the poverty of the teeming millions who live in villages. It is no good saying that it is an Election Budget. The anti-poverty programme was sponsored not in this year alone. It was in existence in the earlier years also and even in the year before last. Our thrust is to reach the goal of anti-poverty programme. The funds for rural development have been increased from Rs. 3,000 crore last year to Rs. 7,000. This is not an Election Budget. Therefore to say that this programme has been only for one particular purpose, in my respectful submission I would say that it is not an objective presentation of the facts.

No, one thing I want to point out before this august House that what is our anti-poverty programme. Our anti-poverty programme is that if the country has to develop, our infrastructure facilities have to be developed. Unless infrastructure facilities are developed, we cannot improve our roads, our bridges, industrial development and agricultural development. That is why the Government is focussing greater attention on infrastructure facilities. For that purpose even in taxation measures Section 80I(A) has been amended this year in the Finance Bill so as to give 100 per cent tax relief to industries which are engaged in the development of infrastructure. This facility of tax deductions has been further extended to small scale industries which are, for the first time, getting the benefit of Section 80I(A). Now, this is not certainly an Election Budget. The whole idea is how to develop the infrastructure of the country and how to develop the economic growth of the country both in rural sector as well as in the urban sector. The industries which now invest their funds in infrastructure facilities will get 100 per cent deduction from their income derived from such infrastructure industries. Our taxation policy also certainly tries to see how to develop small scale industries. Now,

these measures have been taken to improve one of the core sectors of our industry. Our foreign investors are investing more than 80% of the foreign investment in core sector industries, like roads, bridges, power sector and also telecommunication sector.

There is only one thing to which I want to request and invite the attention of the hon. Finance Minister. Whereas in the case of roads and other infrastructure a larger amount of depreciation has been allowed, the same thing should also be equally extended to telecommunication industry because that is also one of the major core sector industries on which depends the economic growth of the country.

Now, we are giving financial support to our rural banking institutions. The NABARD has opened different wings, different branches for the purpose of rural development programme and the loan is to be given through the State Government and the State owned undertakings for the purpose of completion of their on-going project. We have found that very often inflation starts because the Government, either the State Government or any other public utility concern, starts a very tall scheme, but ultimately because of shortness of funds the scheme remains half-finished. And that is why the Government has clearly made a practical attempt to give such type of loans to those State Governments and the State owned undertakings where the on-going projects could not be completed because of the shortness of funds, and for this purpose the NABARD will have different branches all over the country.

Now, for the purpose of giving relief, financial loan and assistance are provided to our Scheduled Caste and Scheduled Tribe communities. They are living in the rural villages; they do not get adequate financial support NABARD will have a particular wing. These are the programmes which the Government have taken up to remove poverty among the rural sector.

The Government also have equally taken steps for improving the employment opportunities in the country. Only three million jobs were there when the present Government came into power in June 1991. Since then, every year, six million jobs were created and the employment opportunities are now increasing in a faster way. And that is one of the objectives of the present Government not only to remove poverty, but also to improve the employment position among the rural sector of the country. Now, nobody can say that these attempts are only with an eye on the elections. These attempts have been made not only in this year's Budget, but in the earlier Budgets also. It is a continuation of the policy which long back has been taken up as our main attempt for reaching the economic goal. Therefore, I would submit very respectfully before this august House that what Shri Jaswant Singh considered 'that a mere change in the rates of duties being the only significant feature of the Budget' is not correct. The Budget represents an economic policy, an economic philosophy. There are changes in the Budget undoubtedly, rates have been changed. Every time, the

Finance Minister should consider what rate should be appropriate in a particular year.

Now, this year also the exemption limit has been increased from Rs. 35,000 to Rs. 40,000 to develop the investment among the middle-class and smaller sections of the people. The relief under Section 80-L has been increased from Rs. 10,000 to Rs. 13,000. At the same time, the industrial sector, particularly in the backward areas, has been given tax relief under Section 801A. The software industry which was earning by exporting goods has been now brought on the same level as any other export industry by removing the proviso which was there in Section 80HHE.

Now, these are matters which really pertain to the economic development of the country. Not only that, the present Budget also has removed some of the difficulties and handicaps which were there. For example, take the case of the handicapped people. Their income upto Rs. 20,000 has been given exemption; guardians or the parents of the handicapped people, if they invest in certain funds, even after their death, the income which will be applied for the purpose of relief of these handicapped people has also been given exemption.

There is one thing which I should point out before the hon. Finance Minister. The new Taxation Policy has now introduced the provision of deducting tax at source in respect of various sources of income.

Earlier it was only in respect of the works contract and also labour contract. But now it has been extended to professional peoples' earning and then also to all advertisement contracts and many other contracts. It is true that if the tax is deducted at source, that will be ultimately adjusted towards the payment of tax of the person from whose income it is deducted. But the difficulty is this. The Finance Minister certainly will consult his Ministry on how onerous will be the administrative problem or difficulty. Even now in regard to the tax deduction at source from time deposits, the bankers are expressing difficulty as to how to complete the job and much more difficulty will arise when the certificate is not given. If the person from whose income the tax is deducted at source, does not get the certificate in time, the amount will be deducted from his income but he will not get the credit of the amount in his assessment. So, he has been affected at double points. I was suggesting for the consideration of the Finance Minister that there is no provision under the Income-tax Act that if a person does not give the certificate in time to the effect that he has deducted the tax at source and paid that tax to the Government, then some penal provision should be there so that he will be compelled to give the certificate at the appropriate time.

I ask the Finance Minister why introduce all these administrative difficulties. Either you say 30 per cent or 20 per cent deducted tax at source and that will be taken as tax unless they point out and come forward that their income is much less Presumptive tax, in my humble submission and I place it for the consideration of the Finance Minister, should be made compulsory particularly

in the rural sector, mini industries and agricultural sector. Although agricultural income-tax is not taxable under the Central Act, but if presumptive tax is made compulsory at 15 per cent or 20 per cent, anybody who says that his income is less, let him come and then give his account and if it is found that his income is less, he will get refund but by way of presumptive tax, one can widen the tax net without creating much administrative difficulty, which are involved in deducting tax at source.

The other thing which requires consideration is the depreciation of plant and machinery of less than Rs. 5,000/- which has been omitted in this year's budget. I would personally appeal to the Finance Minister that particularly professional people, doctors, lawyers and those who have to read books, they have to purchase books which are treated as plant and machinery. Already there is a general comment that if this is the position, if they do not get 100 per cent deductions for the books purchased, then nobody will be able to purchase books and, therefore, perhaps even if generally the Finance Minister wants to do away with this because of the block depreciation, at least by an exception it can be retained in respect of books and other instruments with which the professional people carry on their profession. Otherwise, it will rather impede the growth of knowledge in the profession and people will not certainly be inclined to purchase books where they do not get 100 per cent depreciation.

In the rural sector, as I was pointing out, there is already a contribution which has been made for eradication of poverty which has been announced by the hon. Prime Minister and full deduction will be allowed on any contribution to that fund. Similarly, if anybody makes contribution to SCST Fund, he will get full deduction.

These are the measures which are intended to ameliorate the conditions of the weaker sections of the community. For the purpose of our adult education and primary health and also rural health, the rate of growth of expenditure has been increased to 84 per cent in the case of adult education. In the case of primary health facilities, it is increased to 91 per cent.

Once we have made the fiscal consolidation, once we have tided over the crisis which we faced in an unprecedented way in June, 1991 the fruits of development should reach the common people. That is the Government's economic goal.

We are committed to that goal by implementing the pledge that the hon. Prime Minister has given. The hon. Finance Minister has also to implement the pledge which has been given to the country by the Prime Minister. That is the pledge which we are implementing during this year's Budget. We have given enough attention to our Anti-Poverty Programmes. We have given enough attention to our rural employment opportunities so that the jobless people in the country, in the rural areas may get better employment. At the same time, it is true that the country is facing an inflation which we could not have checked completely. But there are two ways of meeting the fiscal deficit and the inflation arising out of it.

15.00 hrs.

[SHRI TARA SINGH *in the Chair*]

As the Finance Minister in his Budget Speech in the last year pointed out, fiscal deficit can be met by either of the two ways. One way of meeting it is if you reduce your expenditure and slash down your expenditure, the growth is thwarted, the growth is affected and thereby you try to reduce your inflation. The other way is when you have got sufficient resources, you have to take a decision. We have got now enough foreign exchange reserves. Our food-stock position is brighter. Our food-stock is much more than what we had even in the earlier years. Our Public Distribution System is stronger. Our investment growth is bright. The inflow of foreign capital in the case of equity shares is growing. The equity shares are coming now. The country has to take a decision whether we shall now slash down our expenditure and reduce the economic growth or even at the risk of certain doses of inflation, we have to proceed with our economic programme, with our development of the economy. That is a choice which we have to make now. Today, if we are to make a choice, we should make a choice of not impeding our economic growth and development. Inflation, undoubtedly, is there. As the Finance Minister has pointed out, the Government is trying to reduce the fiscal deficit by reducing the expenditure. Undoubtedly, it is field where, I think, much more fiscal discipline is to be provided.

The hon. Finance Minister has also cautioned us. Even in the earlier years' Budgets and even in the previous year's Budget, he has cautioned that unless fiscal discipline is practised, it will be difficult to reduce the fiscal deficit to a sizable limit. Even in the present Budget, the fiscal deficit, after all these exercises, has come down only to 5.5 per cent. We could have reduced it a little more. But we cannot do it at the risk of our economic growth, at the risk of our economic development. This is the position.

Sir, Shri Jaswant Singh was saying that this new economic policy cannot be implemented because it is a corrupt Government, it has not implemented the Report of the JPC. I was rather pained to hear this comment. I was also a Member of the JPC. Whatever the recommendations of the JPC, more than 85 per cent of them have been implemented. Therefore, it is not correct to say that the recommendations of the Joint Parliamentary Committee on the Securities Scam have not been implemented. Certainly, the Report of the JPC is not a witch-hunting Report. It is Report for giving certain recommendations as to how best our Financial Institutions can be managed and the sort of things which happened will not be repeated. The Government has accepted most of the recommendations as to how to improve our financial system.

Next, Shri Jaswant Singh was pointing out that the Banking System has not been reformed on the recommendations of the JPC. I was rather pained to learn about this type of a comment. About the Banking System, the Government has already introduced various measures of control on the Banking Institutions and also on the

securities market. Now, one cannot certainly find fault with that. The programme has already been implemented and it will take years to come to have the results much more in an effective way.

Sir, I think that the present year's Budget is the fulfilment, even though partially, of the commitment which the Prime Minister has given.

The hon. Finance Minister has been able to fulfil the commitment of implementing the economic goal; in removing the poverty of the people; removing the unemployment of our teeming millions; in improving our industrial and agricultural growth.

The twin objective of our taxation policy is to create a situation where there is buoyancy of tax collection and at the same time stimulate growth and industrial development. Those two objectives have been fully fulfilled by the present taxation measures which have been introduced by the hon. Finance Minister.

Sir, we must say that the present year's Budget is to be understood and appreciated in the light of what we have already proclaimed when the present Government came into power. This present year's Budget is really a continuation of the promise which had already been made and which had already been fulfilled, even though, partially under constraints of our circumstances, which sometimes are beyond the control of the Government.

With these words, Sir, I strongly support the Budget presented by the hon. Finance for 1995-96.

SHRI NIRMAL KANTI CHATTERJEE (Domdum): He should be inducted in the Cabinet.

SHRI SUSEELA GOPALAN (Chirayinkil): Mr. Chairman, Sir, it was a great privilege to hear the success story of the four-year economic reforms dictated by IMF and World Bank through Dr. Manmohan Singhji through his Fifth Budget. He claims that he has brought back the economy to a growth of 5.3 per cent in 1994-95 from one per cent in 1991-92; industrial growth from less than one per cent in 1991-92, it has gone up to 8.7 per cent; industry in India is experiencing a broad-based vibrant recovery; foodgrains production had reached a record level of 185 million tonnes from the low level of 168 million tonnes in 1991-92 and the buffer stock of 31 million tonnes in the godowns on January 1, 1985. Also, he adds that his reforms could add six million jobs each year from 1991-92 onwards and this year he expects more. The foreign exchange reserve has gone up to 20 billion dollar from one billion dollar in 1991-92.

But, it is amazing that this success story is not grasped by our people. Why has the majority of the people outvoted the Congress Party in the recent elections in the various States? What is the experience of the people? The Congress Party has to ponder over these things. Why have they outvoted them in spite of all your tall claims that you have achieved so many things in the country?

SHRI NIRMAL KANTI CHATTERJEE: They have decided to go. Why should they ponder?

SHRIMATI SUSEELA GOPALAN: That is correct. The food production has reached a record level of 185 million

tonnes from 168 million tonnes. But why is it that the availability of foodgrains has come down from 510 grms to 465 grams?

So, according to the population growth the Government could not produce food stuff to meet the requirement of the people. His godowns are full with 31 million tonnes of foodgrains. In 1991-92 the distribution through the Public Distribution System was 192 lakh tonnes; but now it has come down to 150 lakh tonnes. What is the reason? Is it that people do not want the ration rice? It is because the price of rice has gone up by 86 per cent and that of wheat by 72 per cent. The actual experience is that it is much more. The purchasing capacity of the people has come down and they cannot buy the ration rice. If the 1991-92 consumption level had been maintained, then there would not have been even a single grain in your godowns. Is it shown in the statistics? 31 million tonnes is now in the godowns. But this year they have purchased only 150. That means the food stuff is less than that of 1991-92 in spite of the growth of population. So people's purchasing capacity has gone down. They are not purchasing foodgrains and that is why there is very great stock in your godowns.

Coming to the industrial sector, the claim is that in 1994-95 the growth rate is 8.5 per cent. But if we take the average industrial growth for the last four years, what is it? It is 3.8 per cent only. What was the growth rate during the pre-reform period of 1988-91? The average growth was 8.5 per cent. So during this period you have come only to half of the growth in the pre-reform period.

Take the three years' period. Why Manmohan Singhji is only projecting 1991-92 and 1994-95? Why is he not bringing other statistics? It is because this is more convenient to him. I do not know what would happen to them if 1991-92 was not there. Because all the ills for our development has been attributed to that one year period. But what happened to all these reforms when you have been in power for four years?

The Finance Minister claims that the employment generation has gone up from three million jobs in 1991 to six million jobs last year and this will go up. But what is the reality? The Standing Committee on the Rural Development has criticized that during 1993-94 only 45.2 per cent of the targeted employment could be created. Likewise in urban areas the Rozgar Yojana is implemented. What is its performance? The Committee on Urban Development says that the Ministry in a written reply supplied to the Committee stated that the banks are not sanctioning the loan amount even as per the limit fixed by the Reserve Bank of India. The loan amount sanctioned is very meagre and made it difficult for the beneficiaries to set up their own employment ventures.

Actually, on the basis of the amount allotted, you are calculating the generation of employment. But, what is the actual performance? That is dismal; and that is what, the Standing Committee on Urban and Rural Development has said. During the four year period of reforms, how many industries have been closed? how many thousand workers are sent away by way of voluntary retrenchment scheme?

According to the Industry Ministry, out of 2.45 lakh sick small scale industries, only 16,000 could be revived. They have told us in the Committee that the rest of the sick undertakings cannot be actually revived. After that, now, the sick mills are numbering about four lakhs; that is, one and a half lakhs more sick units are added. How much can be revived? What is their position? How much employment is lost? Thousands of units are on the verge of closure. In the traditional industries like hand-looms, how many persons have died due to starvation during the reform period? Millions are suffering. The Prime Minister's new package is not going to solve their problem. If one or two societies in a district get aid, how can we help? It is like dissolving *hing* in the ocean. If you dissolve *hing* in the ocean, what will be the result? Your package for the hand-loom is like that. It is not going to help. Instead, previous 'rebate scheme' is much better. How are you going to implement it? That you will learn afterwards.

The small scale sector, according to the Finance Minister, is providing 140 lakh employment, which is 40 per cent out of the total manufacturing output; and 35 per cent of the exports are contributed by the small scale sector. For the small scale sector, our Finance Minister has provided a meagre amount of Rs. 200 crores, and the rest is for the banks to provide financial assistance for quality products aimed at strengthening the export capability. This sector can, not only improve the export capability, but can also cater to the needs of the village people. The Government can create more employment in the villages. But, for improving this, the basic thing is the land reforms. There is no mention about land reforms legislation for the last four years. What are you doing? Actually, the Finance Minister is claiming that West Bengal is following him. 'At least learn something from them', because they have implemented land reforms legislation and as a result of that, there is great improvement in the villages and lakhs of small scale industries have cropped up. I can tell you that a good portion of the small scale industries that are functioning properly is in West Bengal. Why is it so? It is because of the land reforms legislation. Whatever amount you are going to spend for the rural sector is not going to benefit them unless land legislation is properly implemented. You are talking about the *adivasis* and other people. But, what is their lot?

SHRI P.C. THOMAS (Muvattupuzha): It is for the States to do?

SHRIMATI SUSEELA GOPALAN: Is it for the States to do?

But, we are talking much about them here. What is their lot? There are starvation deaths. In Wayanad, I know that there is starvation death. Forty per cent of the people are suffering from anaemia or TB. They cannot even earn. You are going to implement so many things. But will they get them? Have they got any capacity to take any of these things? Much is talked about. You are spending crores of rupees; but it is not reaching them and that will not reach them unless land reform laws are properly implemented.

But your attempt is to help the landed gentry in the villages. Unless the shackles of the common men, the poor

men are actually broken and money is given to them, the money will not reach them. There is no attempt to do that and that is why I said, our Finance Minister should learn from the West Bengal (*Interruptions*)

With regard to helping the poor man, you have to get some lessons from West Bengal. But your Government's objective shall always be to safeguard the interests of the upper strata of the society.

Mr. Chairman, Sir, all these years Dr. Manmohan Singh's effort was to control the fiscal deficit and according to him the cause of all ills of the economy was the fiscal deficit. In 1991-92 the fiscal deficit was Rs. 40,331 crore and in the revised estimates it was Rs. 37,727 crore. But in 1992-93 it stood at Rs. 43,000 crore. In 1994-95 the fiscal deficit expected was Rs. 54,958 crore and in the revised estimates it was Rs. 61,035 crore. In 1995-96 it is Rs. 57,634 crore. It means by the end of this year, it will cross the mark of Rs. 70,000 crore. If you take the previous record, you can end up in Rs. 70,000 crore only. This is in spite of the disinvestment in the public sector, a total of more than Rs. 14 crore or Rs. 15 crore because two in two years period it has given Rs. 7,000 crore and about Rs. 5,200 crore. So, it comes to about Rs. 12,000 crore. Before that also Rs. 2,000 crore and Rs. 3,000 crore. So, how many crore have you got? Taking of that money will also have adverse effects. But that is being taken. In spite of that your fiscal deficit is growing. There is a saying 'milling the seed and eating. 'You are selling the hard-earned money of the country. The foreigners are very much concerned about your public sector units only. They do not want to begin other industries but they want the public sectors which are in commanding heights. They want to control them and that you are giving those units to them. This is the hard-earned money of this country, of our workers who have worked very well and the States also contributed, which you have now sold and eating. That is what I say, milling the seed and eating'.

SHRI P.C. THOMAS: Mr. Jyoti Basu is there.

SHRIMATI SUSEELA GOPALAN: Mr. Nirmal Kanti is more competent to reply to those things because everything is known to him. I can also do but he will be more competent to discuss that.

This is affecting the common man of the country because I am working amongst them. I know the disastrous effects of your economic policy on people. That is why I am talking. Now, so much of fiscal deficit is there. Why is it? Each year our Finance Minister has some excuses. First year it was the financial crises. Second year it was the Babri Masjid issue and the third year it was Share scam and this year fiscal deficit is the reason as a result of which the prices have gone up. This is what he says. Why does this happen? You give tax concessions and duty reduction to the industrialists and the subsequent excise duty reductions. These reforms consequently have aggravated the fiscal crises of the States.

Despite the fact there has been withdrawal of the State from the role of the investor, this year the tax concessions to the rich and the upper middle class come

to Rs. 2,390 crore, of which the Centre's share is Rs. 1,592 crore. This will also squeeze the resources of the State Governments. It will adversely affect them.

The revenue account deficit in the last four years has forced the Government to borrow more and more. The interest on these borrowings is increasingly alarming and the burden presently is 18 per cent. Therefore, the interest payable on borrowings during 1995-96 will be greater than that of the preceding years with the result that the Budget Estimates on this account will have to be revised in the later part of the year to fully meet the payments of the international borrowings. The transfer to the States has been projected at 5 per cent increase over the revised estimates for 1994-95. In real terms, if the inflationary pressure is taken into account, the transfer to the States in 1995-96 will be a decline by five per cent.

Inflation can be arrested only through supply management, food subsidies, revamping of the Public Distribution System and an appropriate price policy for the agricultural products. The Budget presented by our Finance Minister for 1995-96 lacks all these and the inflationary pressure on the economy is bound to increase in the days to come. The Economic Survey of 1994-95 has given a warning that rise in the fiscal deficit and rapid growth in foreign exchange reserves were responsible for building inflationary pressures on the economy.

What about revenue deficit? A large revenue deficit invariably represents fiscal mismanagement. A revenue deficit indicates that the Government is living beyond its means. Even as far as its current expenditure is concerned, the revenue deficit, as a portion of the GDP was 2.7, 2.7, 2.6 and 3.5 per cent respectively before reform's period. In the subsequent four years of the reform period it has been 2.6, 2.6, 4.2 and 3.8 per cent respectively.

The question that normally arises is: What have the reforms which were justified in the name of fiscal mismanagement, really achieved by way of curbing such mismanagement? If the Finance Minister really wants to bring the inflation rate to a single digit, then lowering of subsidies on essential commodities distributed through the PDS, does not make any sense. Inflation is understood in terms of shortage of goods relating to demand. In the present condition, there is no cause for such a shortage and inflationary pressure on the economy should have been well within his control. Then the reason for this double digit inflation is increase in the administered prices of the whole range of essential commodities. For example, increase in the procurement prices of food grains on the one hand, and not providing food subsidies on the other results in the sharp rise in the issue prices of commodities distributed through the Public Distribution System and open market prices. Escalation in price of one commodity influences the market forces and leads to price rise in others also.

Government's refusal to remove the specific shortage of commodities at a given time, when they could be very easily removed has led to shortage and rise in prices. According to the Finance Minister, the shortage of essential

specific commodities can be made up by resorting to imports by using the plentiful foreign exchange reserves.

Mr. Chairman, Sir, through you, I would like to ask the Finance Minister why this was not done in the case of sugar. For the benefit of the traders, the Government delayed its import. In the end, after the prices increased in the market, it allowed the industry to import and sell and in turn allowed to loot the people of thousands of crore of rupees. The convertible foreign exchange did not come to the rescue of Manmohanji. Reduction in the import duty or excise duty on air-conditioning machinery, cosmetics, synthetic fibres, colour TV or computers is not going to improve the living standards of the poor. On the contrary it will have a bad effect on the domestic industry. Take the example of the import duty on Captalactum. Reducing it from 60 per cent to 45 per cent will put the public sector enterprise into a difficult situation. In fact its very existence will be in trouble. All the M.Ps from Kerala had approached the Finance Minister and requested him not to reduce that duty but big bosses are more important to the Finance Minister than the workers' representatives or the M.Ps from Kerala, otherwise this would not have been resorted to. Last year itself we had requested him not to reduce it. You have done it this time and this is going to harm us very much.

THE FINANCE MINISTER (SHRI MANMOHAN SINGH): No harm will be done.

SHRIMATI SUSEELA GOPALAN: Even one per cent reduction will harm the industry. Even when the duty was 60 per cent, a large quantity of caprolactam was lying unsold and it indicate that it has come under pressure from the other big guns.

Announcement of various schemes like housing for the rural poor, old age pensions, welfare schemes for the Scheduled Castes and Scheduled Tribes, extension of education facilities for the rural poor, and so on are all an eye-wash. These schemes misguide the people at large. These are all implemented by the State Governments. If the Minister really wanted to help the poor, instead of allowing the banks to implement these schemes, he should have handed them over to the State Governments. Now these banks are also in distress because foreign banks are being allowed to compete with them. Other social liabilities are also with the banks and in addition you have entrusted the banks with the work of implementation of schemes. I feel if you give the money to the State Governments and ask them to implement these schemes, which they have already taken up, it will have much better effect. I would say that the step which you have taken is only an election propaganda and nothing else. I do not know what will happen by the time these are implemented. On the one hand the Stading Committee on Urban Development has said that banks have declined to give enough money and on the other, all the schemes have been implemented through the banks. I do not know what will happen to these schemes.

The new package for the poor is not at all new. It is just like a very old wine in a new bottle. There is nothing new in that. After giving all the concession to 20 per cent

of the upper class people, the Government thinks for the poor. It is just like a landlord after giving a big feast to his friends and relatives call the poor who are standing outside to get some remnants.

That is what is actually being done and that too they do not get it straight away. The rice is still on the fire, it is being boiled and they will get it only afterwards. It is that strategy that you have evolved. A real intention to help the poor is not at all there in this project.

Mr. Sharad Pawar had many packages for people but they were not influenced. In their anger they voted in favour of a section which propagates the same economic policy but is more dangerous to the country. The Congress Party should think as to what are the reasons for their defeat. The reason is that the people are very angry with the Congress Party. Package after package were given to people but there was no improvement in their living standards. How will they vote for Congress Party after all this? So, there are lessons to be learnt from it.

SHRI MANMOHAN SINGH: You should be happy about it because they may vote for you.

SHRIMATI SUSEELA GOPALAN: We are not happy because secular forces are not there to take over. Otherwise we would have been happy.

People's burden will increase. Problems of price rise, unemployment and inflation cannot be solved. Besides the General Budget, the Railway Budget is there to harm the people. It seems there is perfect understanding between the Finance Minister and the Railway Minister. Whatever little is given to the salaried people by the Finance Minister will be taken away by the Railway Minister through fare increase on pass holders. Freight charges which are increased by seven per cent are going to harm the country as a whole including the salaried people. There is unity in action of both the Minister because they know how to loot people. One is giving and the other is taking.

I, therefore, appeal to you to see the writing on the wall. Learn a lesson and change your policy. I remember one line from our great poet Kumaran Ashan. He says:

"Mattivin chhallengale swayam

Allangil mattumattee ningele thanna."

It means: "change your ways, otherwise you will be changed". You have to change yourself by doing away with your pro-rich, pro-IMF, pro-World Bank, and pro-multinationals economic policy. There are enough resources in our own country. It is a rich country and we can build up our country by our own resources. We have to find ways to recast it. If you do not change, people will throw you out.

I oppose this Budget and appeal to the Finance Minister to change this policy. A policy which is conducive to the development of the people in this country should be implemented.

With these words, Mr. Chairman, I cut short my speech.

[Translation]

SHRIMATI SUMITRA MAHAJAN (Indore): The hon.

Chairman, Sir, loud claims have been made in the Budget presented by the hon. Finance Minister. For example it has been stated in the Budget speech that Government wants to make the whole country as well as each and every person self-sufficient so that future generation may lead a respectful life and we may feel proud of being Indian. Our Finance Minister wants to save our countrymen from the curse of poverty that is why various economic policies, economic reforms, liberalisation policies etc. have been introduced. All these policies have been implemented. When I listened to the budget speech I felt that our Finance Minister had made a very good budget. No new tax has been imposed in the Budget and I will say that the budget has been prepared keeping the elections in view. It seems that facilities are being increased but I would like to draw his attention towards certain small-things like exemption given in income tax etc. I may have less knowledge in this field and if I am wrong you can correct me. It is nice to hear that they have given many concessions to individuals and increased the income tax exemption limit upto Rs. 40,000. It gives an impression that something considerable has been given to us. I would also like to say that Finance Minister might have kept in mind the possible increase in the inflation rate which has increased to 11 percent. This is continuous erosion of the value of Rupee and its purchasing power has gone down. In 1994 the exemption limit was fixed at Rs. 3500. Keeping in view the eroding purchasing power, proposed limit of Rs. 40,000 should have been fixed at even higher than Rs. 43,000. It means that the limit of Rs. 40,000 is not enough. With this limit of Rs. 40,000 one cannot purchase anything. Hence it should have been fixed at Rs. 43-45,000.

Sir, I would like to say that concession given in the budget appears to be an illusion. My party had demanded that it be increased to Rs. 55,000. You are raising it to Rs. 40,000 but now it is necessary to increase it upto Rs. 55,000 because this limit stands nowhere in view of the extent to which inflation has gone up.

There are so many other things. I do not understand that how our hon. Finance Minister said that our future generation would feel proud of being Indian. If they want to be proud of being Indian these they should keep certain Indian traditions. It becomes necessary to preserve the things inherited from Indian culture on which we can take pride and one of such things is our culture of joint Hindu Family. We want to see our country united and integrated similarly we want to see our family united. Have they thought from this point of view? You have increased the individual tax exemption limit but the tax limit of Hindu Joint Family is stagnant at Rs. 18000 since 1991. It has not been increased. You and your party is saying again and again that they are following the path shown by Indiraji and Rajiv but what is the reality? I remember that Indiraji had once presented a budget and at that time she had said that for us inherited things such as joint Hindu family are like a gift of god and we should not break this healthy system. But what is happening today. Today they are saying that if you want to have a concession in tax, divide your family and have the concession. I submit that if you

want that your future generation should take pride in being Indian then you should think about Joint Hindu Family which is our inheritance. If you really want to follow the path of Indrajit then do something about it otherwise nothing will be achieved by talking.

The hon. Chairman, Sir, similarly we have heard many things about tax system. It seems that heavy relaxation has been given but when it is viewed minutely we see what a common man has actually got. Situation would seem to be somewhat different if we looked at it from the angle of a common man. You said that collection would increase by lowering tax rates but there is a reference to property, land transfer etc. also. I have heard that there will be 'tax deduction at source' on the fees given to advocates.

It was said in 1976 that the provision of T.D.S. will not be applicable on land transportation but today property and land has been included in it. Suppose, a tenant pays a rent of Rs. 10,000/- per month. He will deduct Rs. 2000/- and deposit the same towards T.D.S. Now, if a house owner is not a tax payer, he will have to visit repeatedly I.T.O. for the refund of Rs. 24000/-. This will, in my opinion, result in increase in corruption. What I have said earlier, needs attention. A new scheme under Income Tax has been introduced for the small traders, in which Rs. 1400/- are required to be paid once a year. For this, a Form is required to be filled up by the trader. A washerman or other small businessmen also come in its range. However, there are some ticklish points which are easily understandable by the authorities but not by general public. It was stated that the form will have to be filled up for two years but it was of no use. I have been told that the Government propose to continue with this scheme and the authorities have been asked that each of them has to get 500 forms filled up and submitted. I understand that with this the Government want to show that even the petty businessmen are paying taxes and this scheme is running in profit. It may be that you are doing so to show the figures. In my constituency, an Income Tax Collector was heard saying that he had to submit 500 forms. I don't understand what kind of a scheme is this which has no effect on people. I wish that before introducing this scheme, people should be educated about it. I would like the hon. Minister to reconsider his tax proposals. Income tax limit for HUF has been fixed Rs. 40,000/- which is of little value as on date. This limit should be increased. Now, transportation has also been included in the ambit of tax. It is also required to be looked into.

We talk of liberalisation policy, new economic policy and new industrial policy and wish that a small industrialists of India should also compete in the World market. However, I would like to ask which scheme you have talked about in this Budget for small scale industries? What facilities have been provided to them? If they really have to compete in the World market, they would, first of all, require technical assistance. They will have to spend more on Research and Development. Today from the export of small scale industries, we earn 52 percent of foreign exchange. From the point of view of

employment too, these industries provide maximum number of jobs. But there is no scheme introduced in the budget for the benefit of small scale industries. It is true that the industrialists of the country will have to stand in competition. We tell our children to score good marks but simultaneously, it is essential to provide them facilities, which we have not been able to provide so far. I would like to give a small example. There are a number of small scale industries which did not receive the attention of the Government. We have discussed many a times that there are a large number of foreign companies, who are not permitted to set up industries in their own country but they are setting up chemical factories in our country and thus polluting our atmosphere by taking advantage of our flaccid rules and regulations. I am constrained to say that this is a kind of corruption. Every citizen should have a feeling of nationalism, which we lack. It is because of this that our atmosphere is getting polluted.

Mr. Chairman, Sir, so far as plastic bags are concerned, it is said that they do not perish even if they are buried. Thus, they destroy the fertility of the land. Moreover, it causes more pollution. We often see small ragpickers in cities. For most of them this work is their means of livelihood. This is not good from the point of view of environment. These bags are sold to small scale units, where they are processed and converted into granules. Further, many domestic plastic items are manufactured from these granules. After all, what is our policy? It is a fact that when we look very high, we do not pay adequate attention towards needy people.

Mr. Chairman, Sir, our hon. Finance Minister talks about globalization, implementation of economic reforms and new economic policy, industrialisation etc. but no attention has been paid to the basic things. It is reasonable to charge 25% excise duty on original plastic granules because quality products are manufactured out of them. However, what I am saying is that the poor ragpickers could earn only Rs. 10 to Rs. 20 daily. These plastic bags thus collected are reprocessed and converted into granules. From these granules, small plastic pipes are manufactured for consumers, which are used in watering fields. This plastic is used at low level only. When excise duty is levied on it, the cost of resultant product increases by 3 to 4 percent. The Government has not thought about these small scale industries. Last year, duty was levied on corrugated boxes but later on, the honourable Minister reduced it. Though we wish India to be a prosperous country yet it is a country of the poor people.

16.00 hrs.

Mr. Chairman, Sir, I would also like to state that today the condition of big industries is also not sound. Many big companies are coming to India. They have their own production, R&D and marketing departments. Whereas, our big industries do not stand against them. It is like a big fish swallowing a small fish. In this budget, no adequate provision has been made for R&D. We talk of globalisation and competing in the world but there are certain things which are essential for market system. I

hope the hon. Finance Minister will look into it and make a provision in this budget.

There is one another important point which is linked with the interest of the farmers of our country. Honourable Jaswant Singh has mentioned in his speech that adequate attention has not been paid towards the interest of the farmers. Even if one goes through a book of class III or IV, one would find the same sentence that "India is an agricultural country and 80 percent people are engaged in agriculture." When we talk of whole country, how much attention do we pay to agriculture? What is the condition of the farmers today? The prices of fertilizers have been increasing leaps and bounds. What is its reason? What have we done to check their prices? Today, at many places, farmers are not getting electricity. In Madhya Pradesh, the situation is most grim. Farmers do not have means of irrigation. How would the seed grow? Rajya Sabha has still to pass the Bill in this regard.

Another important thing is that there has been a decline in national savings. Earlier, savings constituted 24 percent of national income but today it has come down to 17 or 18 percent. Further institutional loans has come down from 32 percent to 27 or 28 percent. That is why, the farmers are not getting loans today. I would also like to add that the honourable Finance Minister should look into it. The tendency of saving among the people has been decreasing and it may decrease further. However, there may be other reasons for this. One thing has come to my mind and that is income tax exemption limit. Though, you have increased the ceiling of personal income tax, yet a condition has been added to it. The exemption limit on the earnings through bank interest has been raised from Rs. 10,000 to Rs. 13,000/- for which everybody has thanked the hon. Finance Minister. I would like to go into the details because according to amendments in banking rules, no tax will be levied on an income of Rs. 10,000/- earned through bank interests. However, once the amount of interest increased even by Re. 1, the Bank will deduct tax at source on the whole amount of interest. Keeping that in view, raising the exemption limit from Rs. 10,000 to Rs. 13,000 is not a big concession. If TDS will be immediately deducted from the interest accrued on the deposits in the bank, it may have adverse impact on our habit of depositing money in banks. When TDS will be deducted at the rate of 10 percent, why would the depositor keep money in the bank?

16.06 hrs.

[SHRI PETER G. MARBANIANG *in the Chair*]

I would also like to draw your attention to another aspect. If such a tendency developed among the depositors then some private companies engaged in banking business will benefit. Moreover, we do not have any control over these companies. In this regard, I have met the present Finance Minister and since my election to the Lok Sabha, I have been drawing the attention of every Finance Minister that a big fraud has been committed in the country by Shri Lakshmi Chand

Bhagga. As a result thereof many people have lost faith in this system. Several people had deposited crores of Rupees in the banks and banking companies of this country with the hope that they will get a good rate of interest, and enjoy some more facilities. However, when they saw that TDS will be not deducted even on an interest amount of more than Rs. 10,000 they invested their whole capital in these companies. I have come across many such examples. Today all those people repent for investing their capital in these companies. I told them that I have already drawn the attention of many Finance Ministers in this matter, but in the absence of Government's control over these, nothing can be done. If the fraud in these companies and decline in our savings continued, the people will be reluctant to deposit money in the banks.

The money thus deposited in the banks, is utilised by giving loan to small scale industries under various schemes. It also helps in giving loan to the farmers. The main objective of these schemes is to extend maximum assistance to the farmers but they do not get the benefits of these schemes. Further, the amount earmarked for social development is spent on non-productive works. From the election point of view, the hon. Finance Minister has presented a good budget but it is necessary that the schemes are implemented properly. As much as I could understand, the money deposited by us is spent on the schemes run by the Government. However, I need not to say more on how this amount is spent and what percentage of it percolates down to the people because everybody knows about this. But I would like to mention here that it is time to pay attention in this regard.

We should also look at the situation prevailing in agricultural front. There is no doubt that the Government is doing something for cash crop but the fertility of our land has been declining gradually. We have also to keep this fact in mind. So far, no attention has been paid in this regard.

In the end, I would like to say that we talk of our new economy policy, economic reforms and liberalisation. Are we gaining something from this or not? Being a common person, the tall claims made in the budget are beyond my comprehension. However, one thing which I have been able to comprehend is that, why should we still resort to import?

If the scarcity of any thing arises in our country and its prices shot up, we resort to import in order to check the price rise. For example, we had imported wheat under PL 480 scheme but it was infected with a disease. 'Gazar Gash' and as a result of this we incurred a great loss. Now this is the fate of our country that whatever we import, we invite several diseases with them. Hon'ble Finance Minister, this disease is a bane for the future of our nation and our progeny. This new economic policy is not favourable for our country. Under this policy we imported sugar to control the prices of sugar but there was a big muddle in its import. People like me thought that as sugar is being imported, its prices will decline

but, it did not happen so. Instead, there was a muddle in it. We will have to rethink over this policy.

Mr. Chairman, Sir, in view of ensuing elections, far-fetched imaginations have been made in this budget.

There are many things which indicate that this is entirely an election-oriented budget. This budget has been presented in the midst of the talk of globalization and world market. It is repeatedly said that though foreign industries will be given encouragement yet Indian industries will not be ignored. Keeping in view all these points. I would like to say that it is like:

"Much Cry, little wool."

[English]

SHRI D. VENKATESWARA RAO (Bapatla): Mr. Chairman, Sir, I thank you very much for giving me an opportunity to speak.

As per the Budget presented, the projections are:— GDP 5.3 per cent; industrial growth 8.8 per cent; foodgrains production 180 million tonnes and foreign exchange reserves 19 billions. These things show that we are in the progressive stage. But, at the same time, we have to address ourselves to the problems of inflation which reached double digits, about 11 per cent and unemployment which continues to increase. As the figures show, three crore and odd people are registered in Employment Exchanges and what is more the population growth is increasing at the rate of 27 per cent. The other areas where we could not provide even the minimum needs of the common man are: food, shelter, clothing, health and education. All these things are important things in regard to which we are not able to cater to the needs of the common man.

Coming to the common man's problems, we have to look at all those factors which are lacking but which are very much essential for the overall growth of the country and the common man. With the inflation rate of 11 per cent, the prices of essential commodities have increased considerably. We are getting rice at Rs. 9 to Rs. 10 per kilogram, edible at Rs. 40 per kilogram and sugar at Rs. 12 to Rs. 14 per kilogram. Between 1993-94 and 1994-95 itself, the price of rice has increased by about 8.2 per cent, wheat by 9.8 per cent, pulses by 7.2 per cent, oilseeds by twenty-five per cent and steel and fertilisers by seven per cent and ten per cent respectively. We are not in a position to address ourselves how to control this inflation which is affecting the common man at large.

Coming to the problem of unemployment, as per the register for the year 1994, there are 10.40 million unemployed persons in the urban areas and 20.60 million in rural areas. The total number of unemployed as per the 1994 register comes to thirty-one million. These are the figures of those persons only who register themselves in the Employment Exchanges, whereas the number of those unemployed persons who do not register themselves in the Employment Exchanges is much more than this figure.

Coming to the literacy rate in the country, the male literacy rate is 64.13 per cent, the female literacy rate is

39.29 per cent, and the average is 52.21 per cent. The work participation by male is about 51.55 per cent and that by females is 22.25 per cent. The average work participation by males and females is 37.46 per cent. So, even after forty-seven years of our independence, the rate of literacy and work participation is much below the required level. This is where at present we are.

As far as Andhra Pradesh is concerned, the Government that has been newly elected is trying to address to this kind of problems. When we introduced the Rs. 2 per kilogram rice scheme, everyone said it was a populist scheme. Later on, when it came to the elections, that this kind of schemes had been announced by various parties in different States, including the ruling party, that is, Congress. The hon. Prime Minister himself, when he came to Andhra Pradesh for his election campaign, announced a scheme to provide 10 kilograms of free rice to each family, which comes to five lakh tonnes for Andhra Pradesh itself.

So, this has become a kind of programme where everyone has to think and address himself and come to a consensus to spread this kind of programme all over India. Hence I request that at per the promise of the Prime Minister to the State, the Finance Minister can consider giving this amount or this quantum of food to the State as per their requirement.

Coming to another programme which the Government of Andhra Pradesh started, which is total prohibition, we all very much know that any programme or any policy or any concession that we give is for the betterment of the individuals or the people of the country. Here is a programme where every individual of the family—mother, father and children — are very much happy when this kind of prohibition has been introduced in the State of Andhra Pradesh. You please go and see there. There is no doubt that the families are very very happy. The poor people are flourishing. Their economic status has increased. Their revenues are safe and they are enjoying themselves with this kind of policy that is the total prohibition. Here also I would like to make a request to the Union Government regarding extension of this policy. In 1977 there was a Central Prohibition Committee where all the Chief Ministers got together on 30th July, 1977 and formulated a policy that wherever this prohibition has been introduced, 50 per cent of the revenue and which will not come to the States by means of this prohibition policy should be borne by the Centre. It has been introduced and implemented in a few States. This was said on 30th July, 1977. Later on, this amount has been denied. Here again I would like to bring to the notice of the hon. Prime Minister and the Finance Minister and request them to revive this and give 50% to the State of A.P. Wherever we introduced many policies for the welfare or goodness of the individuals, it was appreciated. This is our policy which is going to give to complete happiness and prosperity to the family.

Sir, coming to irrigation sector, we all very much know that to remove poverty and to give employment, we pay much attention. Irrigation is the backbone of the country as far as the rural area is concerned, For example, in Andhra

Pradesh the potentiality of the total State is that 145 lakh hectares can be irrigated. But out of this, only 55 lakh hectares only have, so far, been irrigated. The river water, that is the entire surface water by the entire river system is 2,746 TMC of 75-dependability. The total cultivated area is 55 lakh hectares. in Godavari river, 1, 450 TMC of water of 75% dependability is there. There are only two projects now—Godavari project and Sriramsagar Stage-I. Polavaram Project, Sriramsagar State-II Project and Ichchampalli Project are two or three projects which are pending before the Centre since a long time should be cleared so that the rural areas can be irrigated and employment given as well as foodgrain production in the country can be improved with this kind of activity. At the same time, the Government of Andhra Pradesh have submitted proposals for 16 major and 15 medium irrigation projects. So far, the Planning Commission has approved only five medium irrigation projects. The remaining 16 major and 10 medium irrigation projects are awaiting the permission of the Central Government.

For example, the foundation has been laid for Telugu Ganga by late Smt. Indira Gandhiji, Three Chief Ministers together were present and they have come to the conclusion as well as agreement for the implementation of this programme but it is still lying with the Central Government for clearance. Projects, like Galeru-Naoari and Hundri-Neeva are lying with the Centre for clearance.

Coming to the power sector, we welcome the privatisation of the power sector. But at the same time, we could not follow the methodology that has been adopted by the Central Government for the implementation of the programme. With this kind of implementation, we expect that ultimately the cost of the power is going to be higher. The consumer is going to be levied heavily. In the normal course, we expect that the generation of a megawatt will cost around Rs. 2 to 2.5 crore. But with this kind of investment a megawatt will cost around Rs. 4.5 to 5 crore. Where the projects are being implemented by our Electricity Boards and also by means of public sector undertakings the cost for generation of one megawatt unit is Rs. 2 to 2.5 crore. Here also that certain projects be implemented by competitive bidding and some projects by means of MoU. The MoU means it is a back door method. Why the Government of India is adopting this kind of method, we are not in a position to understand. This is ultimately going to result in high cost of power.

Coming to the corruption side, we all know the scam. So far the authorities are not being punished properly and it has been delayed at large.

Then coming to the sugar scandal also in which thousands of crores of rupees loss was involved, as other Members have also pointed out, nobody has been punished except the hon. Minister who has resigned. But the real culprits who are the real activists and who engineered this kind of sugar scandal have not been punished. The sugar is costing very high to the consumers. At a time when we are liberalising the various

policies. we do not understand why the licensing of the sugar should be done still at the Centre. This process is giving scope to think that there is some kind of mischief. We all know that many people have applied for the licences but never got them and we also know that those who got the licences, how they have got and what methods they have applied for getting these licences. In Andhra Pradesh, there is one district, Srikakulam and there is another district, Nellore. For obtaining a licence for the areas located in Nellore one has to go to Srikakulam and for setting up a sugar mill in Srikakulam one has to go to Nellore for obtaining licence. These kinds of activities are giving reasons to believe that something wrong is going on. On the one hand, we are liberalising the economy and on the other hand, we are adopting these kinds of methods.

Sir, the same water supply, the protected water supply, the drinking water supplies relating to Andhra Pradesh, so many schemes are pending with the Government.

There are 39 villages in Adilabad district and the scheme costs about Rs. 2.4 crore; there are 52 villages in Chittoor district and the scheme costs Rs. 5.29 crore; there are 52 villages in Guntur district and 24 villages in Warangal district where the costs come to Rs. 7.9 crore. In the other 394 villages, it is going to cost Rs. 686 crore. All these projects are pending before the Central Government. I request that funds for these things should be released immediately. And also the programme of the Government, Central as well as the State, to supply drinking water in each and every village should be speeded up so that the goals would be reached as early as possible.

Coming to the fertiliser sector, we feel that the subsidies which were given in this year's Budget are not sufficient. Though the production of foodgrains to the extent of 180 million tonnes, this year, is good enough, we feel that this has been achieved because of good monsoon in the country. But, at the same time due to the shortage of nitrogenous fertilizers and urea, it is going to give bad results in the coming future. This is what we feel genuinely and this sector should be given adequate subsidy and adequate funds for further development.

Sir, there are many poverty alleviation programmes that have been contemplated in the Budget. But at the same time, they have been linked up with the commercial banks and other financial institutions like UTI and others. The lack of budgetary support may affect these kinds of programmes. Even though we welcome these poverty alleviation programmes, we feel that sufficient budgetary support has to be given for these kinds of activities. That should be given utmost importance as far as the rural poor are concerned.

Coming to the industrial sector, people say that the reduction of duties on so many intermediate compounds and on many other items may hamper the Indian domestic industry. So, sufficient care and sufficient protection should be given so that our domestic industry

would not suffer, which otherwise may result in unemployment.

With these comments which I wanted to put down while participating in the debate, I thank the hon. Chairman for giving me the opportunity to participate in the debate.

SHRI S.B. SIDNAL (Belgaum): Thank you, Mr. Chairman, for giving me this opportunity to speak on the Budget.

Sir, many Budgets have been passed in this country and there is always an allegation that no progress has been made through the poverty alleviation programmes. After all these years, right from the First Five Year Plan till today, if you just see, the food production rose from 50 million tonnes during the earlier period to today's bumper crop and heavy stock in the country. This itself shows how much progress the Congress Government has made in this area. On the industrial side, the growth has not been so fast because industries are very limited in this country. All these days, we have the public sector which had consumed all the money and the taxpayers used to fill up the deficits and the public sector used to get away with it. This is how it was a sordid business in the public sector. Now, our Prime Minister and the Finance Minister have given a new direction to this country by privatisation. Many people attacked the Government on the question of privatisation saying that it would not help and that the foreign people will come and dominate just like the East India Company which, when it came to India, not only dominated but acquired political power also. This is a wrong notion. India then was very different from what it is today. This I would like to bring to the notice of my friends who criticise us.

Unless we go in for some foreign fund, we cannot flourish even if we have the highest potentiality for marketing in this country. Unless we establish industries, we cannot off-load the people from agriculture. As we know, 75 per cent of our agricultural population is heavily burdened with agriculture for the last four generations. We are not able to off-load them to industry. If we want to off-load them to industries, we have to go in for industrialisation in proportion to the population.

I congratulate the Finance Minister for giving a new direction to this country by privatisation. There is lot of foreign investment flow to this country. We could not make such huge investments in our country specially on ONGC and on electricity and other areas.

More than Rs. 100,000 crores have already been invested but the benefits have not been apparent to the public and we have not been able to communicate the benefits to them properly. Some other friends refuse to understand the benefits of this investment.

I really congratulate the Finance Minister for giving a new direction to this country in industrial area.

So far as small scale industries are concerned, there is not much scope for them to develop because they cannot compete with big industries and MNCs. Therefore, we have to give more and more concessions to them so that young engineers who have come into the field should

not be disheartened or frustrated because when they start taking loan from the bank, they sometimes incur losses. Many of the small-scale industries are running in loss and are being closed down. Our Finance Ministry is aware of this. Feed-back must be there. I would like to bring it to the notice of the Finance Minister that special care has to be taken of the small scale industries because they have to flourish in small towns and district headquarters. Agro-industries have to be started. If you do not do that, there will be frustration and rebellion against every political party in future. It has to be taken very seriously.

Coming to agriculture, we have not done as much as we should have done when compared to other countries like China who developed agriculture first. We have been saying that agriculture is the backbone of this country and we are helping agriculture. We are building projects for irrigation. But the actual benefits are not satisfactory. Wherever we construct irrigation projects for water management, about 30 to 40 per cent of water is being wasted. We have never cared for it nor is there the State Government or any supervisory power to monitor proper irrigation and to see that every drop of water is important to this country for production. The State Government has to be told very seriously to monitor the system of irrigation. How best can we manage this? We have a lot of projects. We have no trained personnel. We have a Agriculture College, an Engineering College and a Medical College. They are all located in the cities but we have no technical institutions for agricultural people to manage themselves and to make maximum production. If you impart technical knowledge to them, they will be better than anybody in the world. Even now, we are second in wheat production in international area. We are also second in rice production in the world. We are third in milk production. We are competing in many areas. But unfortunately we are not able to impart technical knowledge to the peasants. The peasant is also coming to the Employment Exchange to register his name for employment. He is tempted to come there because we have failed to provide him job by imparting technical know-how.

In this country, we have 160 Universities for 20 per cent of the population and hardly 25 Agricultural Universities for 80 per cent of the population.

We have to think of it very seriously. I would request the hon. Finance Minister to see that more number of technical institutions are established in towns and district places to cater to the needs of the agriculturists because nowadays we cannot irrigate the land overnight. Whatever quantum of water we have, we have to distribute it. But that is not being done.

Coming to dry-farming, there are many things. There are the fruit-bearing trees. Though the Government is doing well, yet we have failed to educate the people to be receptive to all these programmes. If we plant a tree, it would be cut. If we do anything, that would be abolished. So, we have to create a mechanism whereby we can create an impact by educating the rural-folk that they can be receptive to all the programmes that are being given to them.

Secondly, we have been telling loudly that industry and agriculture will be on par. But it is only remaining on paper. It should be implemented very seriously. Please look at the subsidy on fertilizers. I think, we are sometimes prejudiced towards agriculture. It should not be so. Hardly, the small and marginal farmers are given this subsidy. The big fellow will purchase all these things and take the signatures of the poor fellows and loot whatever has been given to the poor. The poor fellow will give it to the big fellow by taking a little alm. It may not be conducive to tell it. But this is a hard fact in the villages which is going on. Therefore, the subsidy should be increased to Rs. 7000 crore. Last time also, the Minister had promised. This time also, you are promising. I request the hon. Minister to fulfil the promise and help the peasants to come out of the red.

Sir, after the introduction of the Tenancy Act, where is the landlord? At least, in Karnataka, I do not find any landlord. The title 'landlord' remains. But there is no land. The ceiling fixed for dry-farming is 50 acres and for wet-farming, it is 10 acres. Hence you call them as landlords. Where is the marginal agriculturist? Where is the big one? After the introduction of this Tenancy Act, if the father had possessed ten acres some ten years back, now the adult sons have hardly two or three acres. There is no land for distribution. Therefore, there should not be any discrimination in respect of small, marginal and big farmers. The agriculturists are totally poor. They may be possessing the land but there is no production in proportion to the area they have. It is so because of lack of scientific appliances or fertilizers. There is no scope for having such things. Though the Government has increased the procurement price—I thank the Government for this—yet it is not sufficient. If we go to the cities, the people bombard us because the price is high. When you look to the stock position, you are having a bumper stock. If you go to the PDS, you will find that there is *gol mal*. The State Governments are not properly implementing the PDS. They first go to the market and dispose of all these things. This system has frustrated the people. I do not think any other better system could be adopted. But it has to be improved by strict management by the State Governments. A clear-cut direction has to be sent by the Central Government in this regard. Sooner or later, kindly see that agriculture becomes an industry. In the rural areas, we have been canvassing for poultry-farming, sericulture etc. So many allied professions are there to the agriculturists. But correct results are not achieved. These professions can generate employment to the rural-folk in a very big way which we have not implemented totally. Just funding money is not enough. It should be in proportion to the technical know-how, establishment and management. That aspect has been missing. Therefore, it pains me very much to see that the agriculturists and their sons are not getting any proper education for managing themselves.

Apart from subsidy for fertilizers and others there are gobar gas plants. I still remember, Indiraji has done a great service to this country in a great way by asking the banks to help gobar gas plants. Previously it was only with Khadi Board here and there, hardly one per cent was spent for

so many years. So, it is one of the triple benefit schemes for agriculture whereby even having a pair of bullocks or two cows, he can sufficiently meet the needs himself. Even reasonable return could come from the gobar gas plant. I call it as an indigenous industry of agriculture by his own. This fertilizer produced through gobar gas plant will sustain three years in the land and the fertilizer from artificial factory is only for one crop. After it injects the alpine, again the land becomes barren. Therefore, Sir, this has to be taken special care. You have asked the bankers to help. The system of banking is very unfortunate. It has not at all improved. It pains me to tell that any fellow going to the bank will come out with tears. They are not serving the rural folk. I would like to cite an example. A fellow went to take a loan for keeping a shop. He deposited Rs. 3,000. He got a loan of Rs. 5,000. Now, he has to pay Rs. 25,000. The official of which is located in my place. He could not adjust Rs. 3,000 against the loan there at the beginning. He left it till the son became taller than the father. This is most unfortunate management of the bank. It pains me to tell you. Kindly take it very seriously and see that the culprits are punished and the peasants are helped.

After this privatisation, the new direction has come. Even exports have been developed. Foreign exchange has been built. A lot of foreigners are opening their eyes to this country. They are coming and investing in the country.

Tourism is another industry for us. Every year, tourism is on the increase and it has increased since ours is the oldest country in the world. We have not taken as much care because in this country every place is cynical one and every place is beautiful and wherever there is a river or many things at least make one village, in one taluka where tourists can go and take rest. It is only where sea is there, like Goa and Kerala, that something has been done. But not in the other interior parts. There are not even good IDs to stay. Many of the foreigners who come here require swimming pool and some other facilities. You kindly make a survey and prepare a Master Plan and see that such things are done.

In Karnataka, in Mysore, Brindavan Garden is there. At least we can have two or three Brindavan Garden in Belgaum for Ghataprabha and Malprabha. On gravitation only water flows. Lot of land is there, but nobody has taken care. This has to be on the increase. Safety of the tourists is not here. It is most unfortunate that when we look at the newspapers, we find that some Japan lady is looted. What a shame on our part?

This should be taken care of by the Government very seriously and see that any tourist is safe in this country and comes with a free mind and spends his money and see that our purse is swelled.

Sir, so far as power is concerned, it is terrible. The agriculture is suffering. There is no regular power supply even for two hours. We know that the Government is constrained to supply, but some alternative has to be done. You know the working system of any electricity board in this country.

And you must be aware of these things. When will

these things become all right? People are suffering and we cannot enter our constituencies where there is irregular supply of electricity. So, we are accused at home as there is no regular supply of electricity. When we ask the concerned officers, they explain the position in so many ways and there is lot of corruption in the Electricity Board. These are simple matters but they are agitating and creating frustration in the minds of kisans. Whatever it may be, earliest action must be taken, monitoring must be done and theft in the Electricity Boards should be reduced. I do not think that you can eradicate it or totally root it out; it may not be possible but you can reduce it to a certain extent. If you go to any colony even in Delhi, you will find that electricity connection can be got very easily without meter than through regular system. So, this matter has to be taken very seriously.

Coming to sugar production, in my district, there are eight sugar factories which are commissioned in the last 25 years. We have got licence for four of them and we had applied for three more factories in 1993. But so far there is no response from the Central Government. Whereas Maharashtra could get 25 or 30 factories sanctioned. I do not blame other States but then why this disparity? We want at least three factories, namely, Bhagyalakshmi, Krishna and one more in Bidar and Kamataka Government has recommended for three factories. But these have not been cleared. So, I personally request the Finance Minister to look into the matter and see that they are cleared so that our people are happy. Entering cooperative sector is a later course though it is more employment-generating and helps in building up of the capital of the rural folk. Before that, why cannot we decontrol sugar factories? Let people come, invest and harness the potentialities in our country. Why should we wait at the doors of the Government? When you have done so in others areas, you may do so here also as it is a very small area. Hardly Rs. 50 crore is required for one factory and to commission it, it may take one or two years. But when we go for cooperative sector, it will take a long time and we cannot see that sugar is produced immediately. There is nothing wrong in privatisation. I would request the hon. Minister to go in for this method. When the Prime Minister came to Belgaum during the last elections, he announced that there will be decontrol of sugar industry. I request the Finance Minister to do it immediately so that the highest potentiality could be made use of.

I thank you for the increase in the area of land for drip irrigation. If we see the area brought under drip irrigation, it looks very big. 38,650 hectares of land are to be brought under drip irrigation in the present Budget. This figure has to be increased and there is subsidy for this. I have seen and personally experienced that if we go in for drip irrigation, there is double benefit. Firstly, water is saved and secondly, apart from adequate supply of water, there will not be erosion of soil and flooding. So, by any means, kindly double the area for drip irrigation and give it the highest priority. Therefore, decontrol of sugar industry and increasing the area under drip irrigation and modernisation are my important suggestions.

In other areas also, I congratulate the Prime Minister and Finance Minister for giving a new direction to this country. There is still lot of unemployment. You have been trying to reduce unemployment through Jawahar Rozgar Yojana. Specially, in regard to Panchayati Raj legislation, I congratulate the Government as it is a historical and revolutionary step and it is also the fulfilment of the dream of late Shri Rajiv Gandhi, which we cherish for ever. We are also happy with the provision of 30 per cent reservation for women and adequate representation of all communities.

Parliament, Assemblies and Panchayats have become real replica of the society. I really congratulate the Government for all these things. The future of India is very bright and strong as conceived by our Rajiv Gandhiji. Let us land into the Year 2000 for the bright future.

SHRI P.V. NARAYANAN (Gobichettipalayam): Mr. Chairman, Sir, the Finance Minister, Dr. Manmohan Singh unfolded his fifth successive election-oriented Budget which is full of gifts to the rural masses and the urban middle class. At the same time, the Budget tries to take forward the process of tax reform and fiscal stabilization started four years ago.

The Union Budget for 1995-96 has none of the major innovations of the last year's Budget nor is it strongly populist or reformist. What Dr. Manmohan Singh has done is to strike a compromise between political and economic necessity.

Sir, last year's Budget was a gamble which has paid off with impressive growth in the economy with higher revenues and more foreign exchange reserves. This year he has seized the chance to do something directly about mitigating some of the harshness of poverty giving special attention to education, health, jobs and housing in rural areas. We are satisfied that at least the Centre has woken up to the realities on the ground and recognised the needs of the poor and the downtrodden.

The Government has increased allocations towards education, health and other programmes and plans to use some of the mounting stocks of foodgrains to sharply increase the rural employment. However, Sir, none of these programmes are new or different. The programme for poverty alleviation and rectification of social and regional imbalances are generally well-concieved but they are very much on the lines of earlier schemes. Therefore, they will not catch the imagination either of the media or of the beneficiaries. All of them will make only a difference that most of the elector will not even notice.

The benefit of liberalisation is yet to reach the common people. People are reeling under the impact of high prices. The new Economic Policy which is being pursued by the Central Government is yet to benefit the common man by way of providing more employment and bringing down the prices of essential commodities. While there is no evidence of employment generation taking up, one could clearly feel the impact of the rising prices of essential commodities. So, the price rise is all the more serious though the country had bumper crops both rice and

wheat for successive years and the Government had adequate buffer stocks also. Still prices are going up.

Sir, the Union Budget has also not spelt-out adequately the strategy to control the prices. The Finance Minister had indicated that rice price would be kept suitable by trade and tariff policies. This point had been repeatedly emphasised by the hon. Chief Minister of Tamil Nadu also that the rice price in the PDS should not be increased in any case. While welcoming the assurance given by the Finance Minister what I feel is that even more categorical assurance of the PDS, rice price could have been extended.

17.00 hrs. I also strongly feel that an early meeting of the National Development Council should be held to consider the lowering of issue prices of commodities earmarked for PDS.

The foreign exchange reserves position is so comfortable indeed that any shortage can be met by imports. In spite of this being the case, people are still reeling under inflation which is as high as 12 per cent. Even this 12 per cent is rather bogus, since it reflects the prices at wholesale level only. At the retail level, the price rise is as high as 20 per cent. The prices of pulses and edible oils are skyrocketing. But the Government has failed to take steps to bring down the prices. While the Central has failed to bring down the prices of these essential commodities, the State Governments, with the very limited resources at their disposal, are forced to subsidise the prices in the PDS. For example, the Government of Andhra Pradesh is selling rice in the PDS at the rate of Rs. 2 per kilo. The Government of Karnataka is selling rice at the rate of Rs. 3.50 per kilo. The Government of Tamil Nadu has taken adequate steps to bring down the price of rice from Rs. 3.50 to Rs. 2.50 per kilo, by reducing one rupee per kilo. The State Government spend several hundreds of crores of rupees from their limited resources on food subsidy. The Government of Tamil Nadu has incurred an expenditure of Rs. 600 crore on its food subsidy. The State Government have also been forced to take up welfare schemes since the Centre has miserably failed to contain the prices.

I would like to urge upon the Finance Minister to spell out in concrete terms steps taken by his Ministry to bring down the rate of inflation at least to 6 per cent. The Finance Minister has come out with some populist schemes, but he has not earmarked adequate funds for these schemes. There were high hopes that exemption limit on personal income tax would be raised to Rs. 50,000. But the announcement of tax exemption limit from Rs. 35,000 to Rs. 40,000 is marginal and the tax free limit on income on dividends and the like from Rs. 10,000 to 13,000 aggravated the disappointment of the people. The increase of Rs. 5,000 in the exemption limit is a pittance compared to the level of inflation prevailing in our country. The Finance Minister should be aware that the salaried class alone is penalised. They are the only section of people who are forced to pay tax promptly although they are suffering serious erosion of their income in real terms due to high inflation. I would suggest that the Government should tax only the basic wages and exempt dearness

allowance, TA, HRA, CCA, etc. from the purview of income tax. This measure will go a long way in benefiting the salaried class. There is also deep concern about the outlay earmarked for social development programmes. Though the idea of giving a fillip to social change is welcome, the targets are more in terms of financial outlay for development of rural and small scale industry, elementary and adult education and primary education. The five year tax holiday for companies investing in the area of infrastructure sector and the creation of a special reserve fund were steps in the right direction to promote investment.

At the same time, not enough is being done by the Centre for expediting new investment in the power sector. There is nothing to be gained in the next twelve months, as investments in this power sector, as a result of this tax holiday, would not give results before the Parliamentary elections next year.

Sir, as far as Tamil Nadu is concerned, our Chief Minister has been demanding for setting up of a Development Bank for the southern region and early finalisation of guarantees for the private sector project in Neyveli. We are greatly disappointed over the Centre's lack of response and the failure to expedite the finalisation of guarantees for the power project. While Dr. Singh has expressed difficulties about continuing the scheme of counter-guarantees and he has talked of it as a 'short-term measure', it does not give credit to the Centre to delay projects which are pending for want of counter-guarantee.

17.05 hrs. [Mr. Deputy-Speaker in the Chair]

Sir, here I would like to cite the case of Neyveli Zero Unit project in Tamil Nadu, which was pending with the Centre for counter-guarantee for months together. The Centre should come forward with constructive action on those pending proposals. Equally worrying is the continuing attempt by the Union Government to shift the burden of fiscal adjustment on to the State Governments. The Plan assistance to the States and the Union Territories has marginally gone down this year. It is unfair that the Central Government, which runs a fiscal and revenue deficit of gigantic proportions and is unable to discipline itself, should not indulge in short shrift of the States in the matter.

Sir, while the increase in the Plan outlay for certain infrastructure and developmental sector is welcome, the paltry provisions for capital expenditure in the Central Plan as well as in the Central assistance to the State's Plan is highly regrettable. Successive Finance Commissions have failed to render justice to the State Governments. The State Governments have no major resource base, except sales tax.

As far as my State, Tamil Nadu is concerned, it suffers because of its pioneering role in implementing family planning. The State which control population effectively are punished, while States who allow it to explode, get more benefits. The southern States including Tamil Nadu have been pressing the Centre to ensure that the States which implement the population control scheme effectively should

not suffer. But even now, population continues to be one of the major criteria for deciding a State's Plan outlay. I appeal to the hon. Finance Minister to see that this kind of anomaly is removed forthwith. Those States who implement the population control scheme should be rewarded.

Sir, the Prime Minister has spoken about building a national consensus on the social safety net programme. Such a consensus will be in the interest of the Centre and of the States and most importantly, in the interest of the poor people who needs to be assured that reforms mean a bright future for them as well. What I would like to emphasise in this regard is, economic reforms should be reflected in such a manner which should be based on a real consensus where the issue is not strong States or a stronger Centre, but one of the Centre and the States cooperating to make India an economically vibrant union of States.

The big new programme is the National Social assistance Scheme to help the poor in four ways—pension for aged people, life insurance for families losing their breadwinner, maternity care for women and the release of food-stocks to expand the mid-day meals for school children.

But the Budget shows no large outlays for these programmes. Here I would like to say a few words about the mid-day meals scheme in Tamil Nadu. Tamil Nadu had been a pioneer in introducing the mid-day meals scheme to the poverty stricken people and involved them fully in designing and implementing these schemes. Tamil Nadu had taken the lead not only in the whole country but also had earned praise all over the world. Through this scheme more than one lakh people have got employment opportunity. The Centre should, therefore, recognise the experience of Tamil Nadu and safeguard its position and not make it suffer financially for having been ahead of others.

We also welcome the Finance Minister's a announcement regarding giving donations to State Backward Classes and Minorities Development Corporations. In addition, the profits of these corporations would be exempt from income tax. Some benefits have also been extended for the physically handicapped.

Another welcome feature is the simplification of import duties on capital goods as this would promote investment. The reduction of import duty has now reached a level where the interests of local industry need to be safeguarded. The cut on the import duty on molasses from 65 per cent to 10 per cent will definitely hurt the interest of farmers in sugar producing State like Tamil Nadu. Such a steep reduction will not accord protection to the local industry.

The reduction in excise duties of various items is a step in the right direction, but the increase in excise on cement will naturally affect the housing sector and in particular the infrastructure sector.

Our Chief Minister had repeatedly requested that a Southern Regional Development Bank be constituted with

Madras as the headquarters. She had also raised this issue in the NDC on several occasions. But to our surprise the Finance Minister has made an announcement regarding a regional development bank covering only the North-Eastern region and has ignored the claim of Southern region.

Overall, the Budget is the best one can expect in the context of coming general elections. Dr. Singh has managed to contain the impact of the Finance Commission's transfers, has provided for a larger plan, has increased the provisions for poverty alleviation and yet continued the tax reform process. The Budget does appear to be a curtain raiser for the general elections earlier than later. This Budget must be seen as the one providing continuing incentives to strong industrial growth and investment. It is less definite in its impact on agriculture although State finances should improve.

Lastly, a few words on the recommendations of the Tenth Finance Commission. The recommendations have adversely affected the finances of better managed States. While there is no prospect of improved vertical transfer to states, the Commission has adopted unrealistic projections of Tamil Nadu's finances, including issues like eliminating subsidy to Tamil Nadu Electricity Board, phasing out food subsidy and disallowing future pay revision.

The recommendations of the Commission provided Rs. 402.86 crore to the local bodies in the states. It is a welcome measure though Tamil Nadu got just Rs. 100.85 crore. This way Tamil Nadu was penalised for its efficient administration. The Centre can also accede to the long-standing request like share of Corporation Tax and implementation of consignment Tax proposal. Though the state of Tamil Nadu had reversed the trend of increasing deficits on the Revenue account, absence of worthwhile relief from the Tenth Finance Commission necessitated vigilance in controlling expenditure. Dr. Manmohan Singh's Budget proposals may not fully achieve even the limited objectives which had been set out. Dr. Singh will succeed certainly in maintaining *status quo* as far as reforms are concerned but the taxation measures may not go far in providing relief from the price spiral for the common man.

With these words, Sir, I conclude my speech. Thank you.

SHRI PRAMOTHES MUKHERJEE (Berhampore): Mr. Deputy Speaker, Sir, I thank you for giving me a chance to take part in the General Discussion on the General Budget.

Sir, on behalf of our Party RSP, I rise to oppose the Budget. I am sorry, Sir, I cannot appreciate the Budget as it is not a self-reliant Budget. Sir, in a class divided society, Budget always represents a class Budget, a class economy in the interest of Ruling Party only. The Budget as proposed by the hon. Finance Minister, Dr. Manmohan Singh appears to me as a Budget for privileged class which will serve the interests of only those people who are already well-placed in our socio-economic system. Of course the Budget contains some flowery words and phrases for the poor. It contains some sweet wishes and noble commitments to give concessions to the poor people. In a welfare State, in a democratic State, these

concessions are very desirable to be given to the poor people. We do not oppose the suggestions for these concessions to be given to the poor. But, at the same time, I should remind the House that these concessions do not have any productive value in themselves. These concessions are of microscopic importance to the poor people in comparison to their needs and demand and aspirations. These concessions appear to me just as dry doles to be given to the poor people before the election year. For many readers of the Budget it must have appeared as a brilliant start for the election.

Sir, let us turn our attention to the beginning chapters of the Budget where the Finance Minister Dr. Manmohan Singh has made a very sincere attempt to project this Budget as a growth-oriented Budget. It has been claimed in this Budget that economic growth has accelerated to 5.3 per cent and industrial growth has accelerated to 8.7 per cent. It has also been claimed that his economic growth has created jobs for the unemployed youth.

I am sorry I cannot stand by this statement of fact. The declining condition of the textile industries, the declining condition of the small scale industries and the jute industries, the declining condition of the factories and mills, closure of mills, retrenchment of workers and lock-out, all these taken together prove that it is not a growth-oriented Budget. It is a fact that there is a growth in the economy but the benefits of growth have gone into the hands of those people who own the means of production. They have gone into the hands of those people who invest them in the modern technology. The benefits of growth have not gone into the hands of the poor people. The benefits of growth have not gone for creation of employment for the unemployed youth. The present position of the number of unemployed youth proves that it is a fact. So, Sir, I cannot, appreciate the Budget.

Again, let us, now, turn our attention to another important paragraph, viz., paragraph of inflation. It has been admitted in the Budget that today inflation rate is 11.67 per cent or something more than 11 per cent. The growing rate of inflation corresponds to 0.4 per cent rise in prices of essential commodities. It has gone beyond the reach of the common people of this country. How can the hon. Finance Minister claim that this Budget is a growth-oriented Budget? How can the hon. Minister, Dr. Manmohan Singh claim that this is the pro-people's Budget when there is no provision for the control of inflation?

Sir, there is another point to judge and that is the fiscal deficit. It has been claimed in the Budget that our external debt has declined by 300 million dollars. This is the achievement during these four years. On the basis of this achievement, our hon. Finance Minister has eulogised the leadership of our Prime Minister, Shri P.V., Narasimha Rao. It is because the Prime Minister has accepted the new economic policy, the policy of privatisation, liberalisation and globalisation of Indian economy.

Sir, I have the statistics in my hand but I do not want to quote here all the statistical juggleries but I want to mention here, with your kind permission, that today, India has secured the third place in the world as the loanee

country just after Brazil and Mexico. Is it the brilliant achievement of the Government during the last four years? The real problem lies elsewhere. The real problem is that the fiscal deficit has gone up very high and the external assistance has been utilised to cover up the deficit. There is no credit for a Finance Minister like Dr. Manmohan Singh, who is the maiter-mind of this subject. Sir, the most important feature of the Budget which has appeared to me is the attempt to reduce the import duty. Reduction of import duty is an important feature in this Budget.

Sir, what would be the fate of the Indian indigenous industries? I am not a good student of economics. But our hon. Finance Minister is a good economist. He is a giant in the subject and he is the master of the subject. How can he claim that the reduction of import duty will be helpful to the economic development of the country without the infrastructural preparedness? In such a situation the Indian industrialists have to compete with the multinationals on an uneven ground. In this situation the indigenous industry will suffer heavy loss. I fail to understand the brilliant success or the brilliant achievements of the Indian economy during the last four years. I beg to oppose this Budget.

I have a good heart. I do not only criticise the Government or the Finance Minister, I have some good things to say about the Budget too. I welcome the good proposals mentioned in the Budget. I welcome the proposals for setting up of North-Eastern Development Bank, Small Industries Development Bank of India; National Bank for Agriculture and Rural Development. I welcome the proposals meant to develop the khadi industries, handloom industries and the rural industries. I would urge upon the Government and the Finance Ministry to ensure that the facilities offered by the banks should go into the hands of the poor people and not to the able middle class.

Sir, when we were studying in the college, fourteen banks were nationalised under the leadership of the then Prime Minister, Shrimati Indira Gandhi. After the nationalisation, a rickshaw puller used to get Rs. 3,000 for purchase of a rickshaw whereas an able middle class young man would get Rs. 3 lakh for the purchase of a car or a bus. All these days banking facilities were taken advantage of by the middle class. I beg to remind you all these things. In order to insist upon you to take some action in this regard. Necessary safeguards should be provided so that the facility of the banking system goes to the poor and the needy and not to the able middle class.

Sir, I have the modesty to confess that I am not competent to speak on the Budget. Our Finance Minister is a brilliant economist. But I learnt things from my real life experience. I gained knowledge by reason, conscience and the sufferings of the humanity. That is why I am forced to chargesheet the Finance Ministry.

It is a chargesheet against the Government for drafting such an anti-people Budget. I beg your pardon, if I have used any word unparliamentary to your choice. Thank you, Sir.

THE MINISTER OF STATE IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT (DEPARTMENT OF YOUTH AFFAIRS AND SPORTS) AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI MUKUL WASNIK): Sir, we have to complete a lot of things like Vote on Account on the General Budget, Railways Budget as well as for Jammu & Kashmir during the next three-four days. We do not have much time at our disposal. I would request that we may kindly sit upto 7.00 p.m. today and allow as many Members as possible so that today we may get at least five and half hours and tomorrow probably we can pass the Budget.

MR. DEPUTY-SPEAKER: Right.

SHRI NIRMAL KANTI CHATTERJEE: If it is extended at this hour, there can be no objection if they bring their speakers.

MR. DEPUTY-SPEAKER: There are quite a number of speakers. Your proposal is well taken.

SHRI K.M. MATHEW (Idukki): Sir, I rise to support the Bill as well as to congratulate the hon. Finance Minister for presenting such a good Budget. During the past so many years the country has been presented with so many Budgets but I would like to say that this is one of the best Budget which has been put across so far.

The Budget is in tune with the economic reforms, which we have already launched and the economic reforms have been well accepted all over the country. I am sure, the present Budget which is in tune with the economic reforms will be well appreciated in the country. As a result of the last two-three Budgets and also the economic reforms the image of our country has been brightened profoundly not only in India but all over the world.

Now the Finance Minister has made considerable changes in the excise duty, tariffs, tax structure, social sector and so many other fields. These are also well appreciated. Now, of course, the Budget will have certain defects but generally speaking the Budget is very well esteemed and we can make criticism only for its own sake.

Sir, I would like to make one or two constructive suggestions for the kind consideration of the Finance Minister. As has already been pointed out here by some of the preceding speakers, there is some concern over the double digit inflation. I am happy to see that the Finance Minister is taking sufficient steps to control it.

But a concerted anti-inflation policy is very much required especially for reducing the prices. What affects the poor man to a very large extent is the increase in the prices especially of essential commodities. So, reduction in the prices of essential commodities should be given top priority. Therefore, as I suggested, a concerted anti-inflation policy is absolutely imperative.

Fiscal deficit is projected as 5.5 per cent of the GDP. But we have to take into consideration the State deficits and the PSU borrowings also. So, I doubt whether we would be able to limit this to 5.5 per cent when both these factors are also taken into consideration or rather both these factors are also added. Now, a sound money policy

through the RBI and other agencies may be required for controlling these things.

One other suggestion that I would like to make is that more resources should be given to the States. Now, Kerala is one of the States for which some more resources are very much essentially required because it is one of the States which has been neglected during the last few years. So, at least this year there should be some more consideration.

Now there is a very welcome point which I would like to appreciate. There is a thrust on exports. This is well and good. But I would like to suggest that there should be more consideration and more incentive for the export of cash crops like cardamom, pepper. Now, there has been a demand for the export of rubber also. But at the moment, even without this, rubber can stand on its own. At least for pepper, cardamom and other cash crops, there should be more incentive and especially for cardamom, the price of which is going down considerably.

Now, Sir, I referred to the economic reforms. As has been pointed out by an U.N. expert, the economic reforms will suffer heavily if the human capital is also not improved. That is very essential. So, there should be more allocation for education, for poverty alleviation programmes, for employment programmes, for improving the productivity of the labour and also for getting their cooperation.

Now, from the angle of Kerala, which is my State, I would like to make one or two suggestions for the consideration for the hon. Finance Minister. Now this reduction of excise duty is, generally speaking a welcome step. But protection and development of indigenous industries also should be taken into account. The reduction of import duty on caprolactam will affect the FACT very seriously and, perhaps, it may ruin it totally. So, this aspect has also to be considered.

There is a mention about the Kayamkulam Thermal Project. But no allocation has been made for that. There is not even, as far as I remember, a mention of the Ezhimalai Naval Academy.

Generally the allocation for centrally-sponsored projects in Kerala is not enough.

One more word about the NRIs. Sir, the NRIs all over the world, especially in the Gulf countries, are reeling under so many difficulties. I think, in the Gulf area, out of the total NRIs, more than 50 per cent are from Kerala, my own State. I am not going to mention all their problems here. But they should also be treated on a par with exporters. Whatever facilities, such as incentives and encouragements that we are giving to the exporters, should be given to the NRIs also.

Sir, on the whole this is a good Budget and the Finance Minister has given a very good leadership in the economic and financial realms of the country.

There are two kinds of leadership: the transacting leadership and the transforming leadership, and I am happy to see that the Finance Minister has given a

transforming leadership in the field of finance and economics. I once again congratulate him.

[Translation]

SHRI RATILAL VERMA (Dhanduka): Mr. Deputy Speaker, Sir, the hon. Finance Minister has presented his fifth budget in this House. The people have generally appreciated the budget and termed it a budget for the poor as well as middle class people. Once they went into the depth of this budget, they felt that this budget is not in the interest of the poor and middle class people but the industrialists. By this budget, the rich will become richer and the poor will become poorer.

Mr. Deputy Speaker, Sir, ours is an agricultural country and the farmers have been called the feeder of this nation. But the Government have not paid any attention towards them. As a result, their condition have become miserable. Nothing has been provided to them in this budget. In 1994-95, Rs. 1302.50 crores had been allocated for them which was later revised to Rs. 1815.25 crores. Even then, this amount was insufficient. Now in the current budget i.e. 1995-96 an amount of Rs. 1460.22 crores has been allocated which is less than the revised allocation amount of the previous year. It shows that the allocation made in this year's budget is very less and it is not going to serve any purpose.

Mr. Deputy Speaker, Sir, today the son of a farmer is prepared to become a driver but he is not prepared to drive tractor in his field. Further, he is prepared to work as a peon, fetch a glass of water and carry file in offices but not prepared to work in his fields. It is because of new economic policy and presentation of this type of budget time and again that the condition of this country has worsened to this extent.

Sir, there was talk about fertilizers. Due to good Monsoon this year the farmers were happy. When they sow the seed, the need for fertilizers arose. There was acute shortage of fertilisers in Gujarat. A reference to this effect had also been made in the concerned Parliamentary Committee. Urea was supposed to reach there in time there, but it did not reach. As a result the farmers had to face great difficulties. Urea was sold everywhere in black market. Today, farmers do not get urea and electricity in time. If he needs power supply for 18 hours, he is getting it only for 8 to 6 hours or sometime for 10 hours and that too, not at a fixed time. Farmers have to remain in their fields, even upto 2 O'Clock in the night. Industries in our country are getting 24 hours power supply. I am not against it but what harm our farmers have done that they do not get timely power supply. Union Government should have the same approach towards both the sectors.

Prices of the implements needed by our farmers go so high that they become beyond their reach-rendering them unable to utilize the implements. They do not get even small tractors for their use in time. They have to purchase implements from black market. Funds allocated for this purpose should be increased.

Availability of fertilizers is also in a very bad state. The condition is so bad that our farmer have to run from pillar

to post to get them. There should be pre-allocation of the fertilisers and a survey should be conducted to find out the requirement of Urea and Nitrogen. Accordingly, it should be allocated to every State. Non-availability of prior arrangements create problems for everyone.

An amount of Rs. 1255.02 crores was allocated for health in 1994-95 Budget. In the revised budget, it went upto Rs. 1397.90 crores. This time, the amount has been increased in 1995-96 budget and a sum of Rs. 1458.45 crores has been earmarked for this purpose. I think it is quite inadequate. We need to pay the utmost attention to the health of the people. Much is being propagated about health improvement through T.V. and magazines. Financial aid of crores of rupees is also given for this purpose. Actually, such facilities are required to be given in advance which can make our children, seniors and youth healthy. The country, which has hungry and unhealthy children, can never make any progress. Which kind of life a country would give to its youth whose children have spent their childhood in hunger? Today children are depending on medicine. Mortality rate particularly of the slum-dwelling children is increasing in the country. We must become health conscious by increasing the allocation made for it so that India may emerge as a stronger nation and its people may live with pride and glory.

'Family Welfare' was given 1678.78 crores of rupees in 1994-95. In the revised budget this allocation was increased to Rs. 1795.58 crores. This year, in the Budget for 1995-96, only one thousand crores of rupees has been increased which is quite less. Much importance should be given to the family welfare in Indian Culture. Disabled persons number much in our country. They are helpless and in difficulty. They want to live a respectable life. Good jobs and respectful profession should be made available to our disabled people so that they may live-up their lives on their own and do not become burden on others. They therefore, should be extended much help. The provision made for this purpose should be increased.

It is said that disabled people will be given jobs in big industries but it is not given. They are, therefore, still faced with difficulties. It requires our attention.

A sum of Rs. 2433.63 crores was allocated for education in 1994-95. It was increased to Rs. 2494.54 crores in the revised Budget but this time in the Budget for 1995-96 only three thousand crores of rupees had been increased which is again quite less. Education has much importance in the country. The country, which pays proper attention towards its education, always moves ahead and shines in the world. Today many places have no schools at all. I would like to refer to my constituency. Situation in my constituency is the worst one. If there are schools, they do not have teachers to teach and if there are teachers they haven't got table and chairs to sit. If everything is there then there is no blackboard. In the farflung areas, a teacher has to teach even five classes at a time. What care a teacher can take of his students who is already teaching five classes. He can ensure only this much that students do not go outside their classes and remain in their classrooms. Some of the schools do not have even roofs.

You would be surprised to listen that during the rainy-days students are asked to remain in their houses and thus they do not come to schools for a period of two months. This is the condition of our students there and the plight of teachers in Gujarat is so pitiable that they are ready to serve a petty job of just Rs. 300/-, should they get it. On the one hand, such is the position of child education and on the other, people loitering with B.A. and M.A. degree. You would be surprised to know that in the cities people have to pay one lakh of rupees for getting a job of teachers and in the rural areas, it is Rs. 40,000/-. One can get the job of a teacher only on payment of this gratification. Today's child is tomorrow's bright future of India. If he lives in such a state of affairs, how can he become educated? In my view, for their schooling, they should be given books and two pairs of uniform. We had started a mid-day meal scheme in Gujarat, according to which the child, who would be going to school with 80 per cent attendance, would be getting 10 kg. of wheat from the Government. Suppose there are five children in a family, then that family would be getting 50 kgs. of wheat. In such a situation, parents used to send their children to schools. But when the new Government took over, they discontinued the scheme. Now there is again Bhartiya Janata Party Government which would relaunch it. They have promised it in their election manifesto. This is my humble request to the Central Government that they should launch this scheme nationwide. If it happens so, the child will become an earning member of the family right from his childhood and there would be nationwide spread of education.

Alongwith this, there is the problem of shortage of colleges. Students opting medical or other disciplines have to go outside the state for their higher studies. They go to Karnataka and Tamilnadu and take admissions there for their further studies. I want to let you know that number of agriculture universities in Gujarat requires to be increased. Even people of my constituency have promised to give away 50 acres of land for setting-up of an agriculture university. I have also written to hon'ble Minister in this regard. We will have to pay more attention on education. Donation is prevalent in education. I mean, you have to give bribe for your higher studies. If he gives donation for his studies, what will he do in future? Alongwith this, hostel facilities are also required for them. Many a times this question is raised that when a SC/ST student comes to a city for his higher education, he does not get a lodging to live in. Women's hostels are also needed as women will be needing some place to live in when they come outside their houses for their education. What can a student do by passing seventh or eighth standard and they would like to pursue their studies, get through the SSC and other examinations. I want that teachers and students both should get due respect. But what actually happens is that when teachers try to raise their demand or organize a rally, they are lathicharged by the police. The persons whom we consider our 'guru' are lathicharged by the police. This is also very bad, such an incident has occurred in Gujarat. Therefore, I want to say that there should be more and

more colleges, more and more schools and each village must have Primary School and teachers should also be there. Education without teacher may be possible in colleges but not in schools and as such the future of the students would be in jeopardy. Government should pay particular attention towards it.

So far as the defence is concerned, funds should also be allocated for the defence of the country. Defence of the country is important. As we go out of Parliament House, we too need security. When we enter the Parliament, checking is made for security point of view. This is a good thing. But it is a matter of regret that there are no adequate arrangements to check the infiltration of terrorists across the border in Gujarat, Rajasthan, Kashmir and the coastal areas of South. There are no adequate security forces. The persons who do good work do not get the desired appreciation. Terrorists infiltrate in Gujarat from Pakistan and other countries. We have promised that no terrorist would be able to infiltrate in Gujarat. I want to submit that at the time of allocation of grants, more funds should be allocated for the security of Gujarat and Rajasthan. There would be peace in the entire country if more attention is paid to the security of Rajasthan and Gujarat. Gujarat has a sea coast and coastal Highway—From security point of view that should be converted into National Highway—If more grants are allocated to Gujarat for that, it can help the whole country.

Sir, I would like to say something about the Department of Women and Child Development. In 1994 Budget, Rs. 705.59 crore were allocated for this and later on it was revised to Rs. 706.16 crore. But in 1995, only Rs. 774.89 crores have been allocated for this purpose. This amount is quite less and it should be enhanced so that the women in the country may lead a respectable life, set up their own business and makes progress. As I have already said, the children in the country would develop and rise in life only if we take care of them. We know that children are the future of India. If we do not take care of them, you can well imagine about the future of India.

"Balak hai Anjan, use karao pahehan. Kaise bare hamari shan, balak bana agar badmash to ghar ka hoga satyanash, balak bana agar insan to duniya mein kahelayega Mahan."

If good education is not imparted to the child from his childhood, he would grow into a wicked fellow and would indulge in anti-social activities. If good education is given to him, he would be prepared to die for the sake of his country.

Now I would like to say something on water-resources. Water resources are quite important for Gujarat. In 1994-95 Budget, Rs. 392.85 crores were allocated for this but the amount spent was Rs. 372.57 crores i.e. Rs. 20 crores less than the Budget allocation. The question of non-availability of drinking water is frequently raised. It is a matter of regret that even after 46 years of independence, there is no drinking water in the villages of India. When we visit villages, people ask us as to what have we done for them. The water supplied in my constituency is not fit for drinking and the old people who drink water in the evening

become sick by next morning. Drinking water is supplied there through tankers. People are not getting drinking water properly.

Sir, I would like to say something about Narmada Project. The issue of Narmada Project has been debated not only in India but all over the world. We are fighting for Narmada Project for the last 20 years, but it has not been completed. Work on it is stopped due to one or the other reason. This work has not been completed inspite of the assurances given by Shri Manu Bhai Kotadia and Shukla Ji. Now B.J.P. has formed Government there. They have given assurance that they would complete the Project at any cost. Only Gujarat is not going to be benefited from this project. Maharashtra, Rajasthan and Madhya Pradesh would also be benefited by it. As the land of Kutchh is lying vacant, the terrorist come and settle there. If the cultivators of Kutchh are provided facility, the population in those villages would increase, and the issue of drinking water would also be solved.

18.00 hrs.

Summer has not set in yet and the people in the villages of my Constituency have already started facing shortage of drinking water. Drinking water is being supplied through tankers there. When the Tanker arrives, the villagers gather there to take water, several times they even quarrel over it. Such is the factual position of drinking water in the country even after 46 years of independence. Had the Government acted earlier and not allowed the water to flow into the sea and had prepared small water projects, there would have no drinking water problem in Gujarat and also in whole country. Crores of rupees were spent on industries but attention was not paid towards villages. As a result thereof people left villages and shifted to big cities like Bombay, Delhi and Madras. Today if we travel in train, agricultural land is seen only for 10 minutes and barren land is seen for 30 minutes. Who is responsible for this barren land? We, the representatives of the people and our senior representative of the people are responsible for it. Bhakhra Dam was constructed in Punjab and as a result thereof it has become a prosperous State. Our Finance Minister also belongs to Punjab. Today, in the advertisements of tractors, fertilizers or diesel saving the photograph of Sardarji is being shown. The reason behind it is that Punjab is prosperous today. Punjab is number one all over the country. Had Narmada Sagar Project been completed, Gujarat would also have been a green and prosperous State like Punjab. I request the Hon'ble Minister of Finance that Narmada Project should be declared a national project and should be completed expeditiously. The original estimated cost of the Project has gone up four times due to delay. If work is held up even for one day, there will be loss of crores of rupees. I wish that hon'ble Minister should give assurance in this regard in his reply.

I also want to draw the attention of the hon'ble Minister towards one more important aspect, i.e. about the arrangement of water for animals. The ponds in villages should be dug 10-15-20 feet deep so that rain water may be stored therein and may be used for animals in summer.

In this connection, once I had asked former Chief Minister Chiman Bhai Patel that the farmer would get drinking water from the tanker, but how he would manage water for his cattle. In a written reply I was informed that it would be the responsibility of the owner to arrange water for his cattle but not the responsibility of the Government. When the farmer has no arrangement of drinking water for himself, how can he arrange water for his cattle. Therefore, it is necessary to make ponds deep in the villages.

Mr. Chairman, Sir, likewise Rs. 1330.41 crores have been allocated for social welfare. This amount is meagre. It should be increased. Billions of rupees have been spent on social welfare after independence, but the factual condition of the Backward classes, Scheduled Castes and Scheduled Tribes people in villages remained the same. These people cannot take water from common well, they cannot go to the temples, they cannot take tea in hotels. Though untouchability is no more in urban areas, yet it is still there in rural areas. Where has gone that money, which was allocated for social welfare. Even today we see that the houses of the people of backward classes in villages are made up of mud and Bamboo. When we visit the villages, these people use to say that the leaders have become prosperous but our condition is the same. This is the factual position. Therefore, I request the hon'ble Minister that more funds should be allocated for social welfare and more attention should be paid towards this so that these people can get proper education. More loans should be given to the backward people so that they can be able to set up some small industries and may progress. To give a loan of Rs. 2000-5000 is a mockery. Today Rs. 5000 is even not enough to set up a beattle shop. It is a mockery of the Scheduled Castes and Scheduled Tribes people. If you really want to give them loan, the loan amount should be enhanced, otherwise do not give them loans.

As far as railway is concerned, injustice is being done to Gujarat. This time also Gujarat has been given nothing. After six years of persuasions only a broad gauge line from Delhi to Ahmedabad has been sanctioned. There was a longstanding demand for laying railway line from Bhavnagar to Alang. The ship breaking yard situated there, is the largest Project in Asia. The Minister of Railway had replied that Rs. 300 crore were required for that purpose and the government did not have that much amount. Iron from Alang is transported by road throughout the country. It involves a lot of expenditure. If that area is connected by railway line the country will be benefited a lot. The people of Gujarat should get a direct railway line from Bhavnagar to Delhi and Bombay. An Express train should also be introduced there.

We had made a demand for electricity, also, we don't know when the shortage of electricity would come to an end in this country. In Gujarat electricity is generated with the help of coal which is costly. Our farmers are in trouble. The farmers of Gujarat started an agitation to bring down the rates of electricity and they went to Gandhi Nagar. But they were fired at and many farmers were killed. We should be supplied gas from Pipava. This will help the

farmers of Gujarat in getting electricity at cheaper rates and thereafter their crops will also increase.

The Government has not paid uniform attention towards the industrial production of Gujarat. In some parts, while the Government has paid too much attention, some parts have been totally left. I urge upon the Government that it should pay attention towards this side also.

Unemployment is a major problem in our country. We have demanded in Lok Sabha also that unemployment allowances should be given to unemployed people. If we don't pay unemployment allowances to them where will they go? Today they are helpless. They need work, food and shelter but we only listen to them. But we are not doing anything for them. If we do not do anything for them, their minds may be diverted somewhere else and that may become a headache for us. I, therefore, demand that those people who do not get employment should be given employment allowance.

Last week a question was raised in this House regarding revival of closed cotton mills of National Textile Corporation. It is not known, when the closed mills will reopen? Many Mills have been closed in Gujarat also. Honourable Minister had told that the Government would be revived those mills but it is not known when these mills will start functioning. The officers of those closed mills are selling the machinery. Recently I found that an officer was trying to sell a boiler. I asked him why he was selling that boiler when the mill would be reopened. I demand from the Government that it should give assistance to the closed mills of National Textile Corporation and other mills immediately. The Government prepare schemes of crores of rupees but the labourers do not get their wages. If the labourers become frustrated, they can follow the path of terrorism; then a dangerous situation can arise. Today labourers in Ahmedabad are compelled to commit suicide due to unemployment. There is Kankariya pond where one or two frustrated labourers are committing suicide every week. I, therefore, request the Government that it should revive the closed mills.

The Government had introduced voluntary retirement scheme. People were retired under that scheme after giving them some money. But what is happening there, the employees of closed mills are being threatened and told that those mills would not be revived and they may go to their homes. If the Government does not want to reopen those mills, then it should pay gratuity, and P.F. to them and ask them to go on retirement, because as per rules, half pay is to be paid to the employees of the closed mills. Thus the country have to suffer from loss after loss. When the hon. Minister gives his statement, he must tell about their plight.

I would like to know from the honourable Minister as to how much amount of assistance has been increased or decreased, for Gujarat State for its various schemes and the reasons therefor? As the amount of grant given by the Central Government, has not been received in time, the schemes have failed. Besides, it also causes cost overrun as it has happened in Narmada project. Therefore, the Government should release grants timely.

Mr. Deputy Speaker Sir, the Central Government

sends circulars in English and Hindi to the State Governments but the circulars are sent to Southern States in their own languages. On the similar times, circulars to Gujarat must be sent in Gujarati.

Mr. Deputy Speaker Sir, thank you for giving me an opportunity to speak.

[English]

SHRI YAIMA SINGH YUMNAM (Inner Manipur): Hon. Deputy Speaker, Sir, I rise to oppose the budget. However, at the outset, I would like to state that I am agreeable with the observation of the hon. Finance Minister as regards the performance of the Finance Ministry during the last four years. He has enumerated the achievements in his Budget speech under item three. I am agreeable and I feel convinced and I appreciate this.

But why I oppose, I shall mention the reasons later on. I shall give the justification for my opposing it.

Sir, I am also prepared to respond to the call that the hon. Finance Minister has made through his Budget speech. He has stated in his Budget speech and gave the call which I quote here.

"It is time for rededication and reaffirmation of our collective solemn resolve to work tirelessly for building a new India worthy of the framers of the founding fathers of our Republic, an India which will enable our children and grandchildren to lead a life of dignity and self-respect, to take pride of being an Indian."

I am prepared to respond to it. And I feel very much convinced of the call. And also, Sir, I am prepared to agree with the proposals for the reduction of taxes, exemption of taxes which are laid down in his Budget and also with the proposal for imposing new taxes or rates. But still, I am not supporting the Budget because of the negligence of the Finance Ministry in particular and the Central Government in general of the region of North-East.

The North-Eastern region is regarded as a backward region and it is neglected. The region comprises of many small States which are not viable due to their geographical position, their population and meagre resources etc. However, it is a part and parcel of our country. Because of its strategic position, they are established as small States in that region. The consideration of non-viability of these States should not stand in the way of development programmes. This is my plea.

My opposition to the budget is because of the negligence on the part of the Central Government in general and the Finance Ministry, in particular, towards this region and towards the small States of that region which include Manipur, Nagaland, Meghalaya, Arunachal, Tripura and Sikkim etc. These are small States and they are not viable. Their revenue income is very meagre. They cannot rely on that. But particularly Manipur has many resources. It has plenty of fertile land but it remains barren because that land could not be exploited for want of funds. There are plenty of resources for power generation. There is a proposal for Loktak downstream which will produce hydro-electricity. That proposal is lying with the Central

Government. No clearance is given. In this House, I raised this issue again and again and the reply was that "It is being examined". It is now four years and the clearance has not been given. This is the attitude of the Central Government. If it happened in a big State like Maharashtra or Bihar or West Bengal, the Central Government could not have said that it is being examined. A proposal from a small State is not cared for. This is the fate of the small State.

You might have visited Manipur which commands scenic beauty. You might have seen the natural lake Loktak and the scenic beauty in the hill stations and the pleasant climate there. It is described as Eastern Kashmir and it is sometimes compared to Switzerland as regards its climate. One of our late lamented Prime Ministers, Shri Jawaharlal Nehru described it as the jewel of India. But whenever a national programme is prepared for development of tourism in this region, it excludes Manipur. It does not cover Manipur. Likewise, this area is full of resources. But the resources are not exploited for want of funds. The fund is not provided by the Finance Minister. This is the attitude. So, there has been imbalance in this region since the time of Independence. This imbalance has to be overcome by doubling the allocation, by providing special funds or by preparing an extraordinary budget for this region. Otherwise, it will not come up on par with the other parts of the country. We differ with you for this reason. It is for this reason that I oppose this Budget.

18.21 hrs.

[SHRI PETER G. MARBANIANG in the Chair]

Sir, I have just stated that I am agreeable very much to the many proposals of the hon. Finance Minister for the development of that area in many sectors. I need not quote all those programmes because of the time factor. Still, for example, I would like to mention the Anti-Poverty Programmes which are very good. But when they are to be implemented, we have to think which agency will implement the programmes. That is the crux of the problem. The Finance Minister may provide funds for taking up many programmes for the welfare of the people of that region. I am prepared to agree with him. I am convinced of it, but the crux of the problem is who will implement, who will execute those programmes.

In the State of Manipur, there are two Governments at the moment in the present state of affairs. One Government is run by the underground insurgent organisation. What they do is they collect ransom regularly. I would mention that if members of each and every family of the State are employed under the Administration, they are bound to make regular contribution. It is so from the Secretariat level to the lower level, from the Chief Minister's level to the peon's level. If the members of the family of the Inspector-General or the Superintendent of Police or any of the security people are employed in a school, then, they have to contribute to the underground organisations through their wives or other family members because if they do not contribute to it, they will be shot dead. If any children are in a school or college, the families are bound to pay because if they do not pay, the underground insurgent people will kidnap and ask for a very big ransom.

Likewise even the commanders of the security forces have been contributing to this organisation. It is our information. So there is none who does not pay. If he is an employee of the administration, he pays it on a monthly basis or once in three months. If a cashier is booked to collect Rs. 100 per teacher or Rs. 200 per professor or Rs. 300 per higher category person and if he does not collect the fixed ransom, then he or she will be shot dead. Under this threat, every year they collect and pay as their contribution to this organisation. The businessmen and the contractors have to pay. Even the political leaders are bound to contribute because they do not like to face the bullet of this underground organisation. This is the present state of affairs. The Government is run by them. If they do not like somebody to be a party to it, then he or she is warned of this. If they refuse it, they are shot dead. Whenever these underground people give a warning, it has to be obeyed. In this way, the administration is run. If there is a corrupt officer, then they give a warning asking for money from him. If he fails to give that money, then he is shot dead. They are trying to check corruption that way. Even in the kidnapping cases, they appeal to those persons who are victims and thus correct such wrong doings.

Another agency that will implement the programmes of the Government is the Government and the Ministry and in the present case, it is the Congress and the defectors' Government. It was installed very recently. I will take two minutes only in describing why and how the programmes of the Government have failed...(interruptions)

MR. CHAIRMAN: Please conclude. You have taken more than twenty minutes.

SHRI YAIMA SINGH YUMNAM: In that case, I will conclude now itself.

MR. CHAIRMAN: It is up to you...(interruptions)

SHRI YAIMA SINGH YUMNAM: I have been sitting here throughout the day to speak. When I am trying to criticise the ruling party, you pass strictures. I just want to tell you what is the result of the last elections.(interruptions)

MR. CHAIRMAN: Please conclude. We are discussing the General Budget. That will not go on record.(interruptions)

SHRI YAIMA SINGH YUMNAM: Still the party managed to form the Government and run the administration. What justice is there? Is it fair? I had been in the Congress Party since 1938 to 1968.

There was a Congress culture. At that time, the morale was so high. How did the Congress form a Government with a minority? Why are they after power?

As you know, Sir, it is a fact that I met the Governor. But he refused to give us permission to form the Government; whereas with 21 MLAs, the Congress Party was allowed to form the Government. So, this is the situation. How will this Ministry function?

MR. CHAIRMAN: Which Ministry?

SHRI YAIMA SINGH YUMNAM: Now, they are trying to increase the number of Ministers to more than 28 just to accommodate all the defectors. Would our Finance Minister be in a position to implement all these things? That is what I want to know. Please do not make it a precedent by increasing the number to more than 20 by accommodating all the defectors in the Ministry without any merit. This way we are suffering.

There must be a railway-line up to Manipur.

MR. CHAIRMAN: This is the discussion on the General Budget. We will come to the Railway Budget later.

SHRI YAIMA SINGH YUMNAM: The price of petrol has risen to Rs. 40 a litre. We have to purchase it. The price of kerosene has risen to Rs. 25 per litre. Likewise the price of all the essential commodities has increased because there was some problem in the National Highways. Because of all these things, it is the people who suffer ultimately. If there is a railway-line, at least, some of the grievances can be redressed.

Sir, as you know, North-Eastern Region is very much neglected as far as Railways are concerned. What is the situation in Imphal, Dimapur and Silchar? Whenever, you have some overused aircraft, you send the same to the North-Eastern Region. This is the discrimination which you are meeting out to the North-Eastern Region.

As regards the National Highways, I think you have the experience that they are very badly constructed. It is the most backward State in that respect. So I rise to expose all these things in this House.

Why I oppose this Budget is because we have been demanding a central university in the State and it is not yet fulfilled. The academic standard is so low in the region. At least a central university should be provided to the State of Manipur. If the Finance Minister is generous enough, he can provide funds for a central university. It is for the uplift of the country. Without uplifting this region, you cannot claim that the country is uplifted.

Lastly I would like to give this warning to the Union Government that they should not compromise with terrorists or insurgents as regards the territorial integrity of the State of Manipur. It is the decision of my party that no territorial integrity of Manipur be compromised with any organisation or insurgents or any section. It can be done only over the dead body of the Manipur People's Party.

With these words, I conclude.

SHRI C.K. KUPPUSWAMY (Coimbatore): Hon'ble Chairman, Sir, I welcome the Budget proposals for the year 1995-96. I congratulate the Finance Minister for the announcement of several social security measures in this year's Budget. It is a laudable measure. I would like to thank our Prime Minister Shri P.V. Narasimha Rao and Finance Minister Dr. Manmohan Singh for announcing a Pension of Rs. 75 each to all the aged. Social security measures extended to widows and girls of marriageable age have also been included in the Budget. In the footsteps of our great leader Late Shri Kamaraj, you are going to introduce Noon Meal Scheme all over the country to benefit all the needy school children. You have also increased the allocation to Education to the tune of about Rs. 300 crores. This has been in keeping with the vision of great Kamaraj. I would like to congratulate both our Prime

Minister Shri P.V. Narasimha Rao and Finance Minister Dr. Manmohan Singh for these effective social measures.

I also find reduction in the levy of Central Excise on several consumer items. But I have to point out certain lacunae there. While appreciating your approach, I have to bring to your notice the plight of knitting and Banian industry which have been hard hit by the Central Excise levy.

I recall a saying in Tamil, "Even if God provides, the Poojari comes in between." I would prefer to highlight the plight of knitting industry spread all over the country. This has been carried out as a Cottage Industry and Small Scale Industry.

There are about 25,000 units pertaining to this industry spread all over the country. It is common knowledge that the knitting industry and textile industry have got several process thereby giving rise to several processing units. But, unfortunately now the levy of Central Excise has started affecting these processing units and thereby affects thousands of poor people involved in the functioning of these units. When we enquired from our Finance Minister it was stated that knitting industry shall not be subjected to the levy of Central Excise duty further. When the office bearers of various Associations connected with this industry from places like Tiruppur, Karur, Erode, Ludhiana, Chandigarh, Varanasi, Calcutta, Kanpur, Delhi and Maharashtra met our Finance Minister, they were told that there would not be any excise levy. But the contrary is going on now. Ever after the Sixteenth of March, that is from the day when Budget was tabled in this House, Central Excise authorities are acting in a different way. They have raided several units and have sealed many of them.

Here I would like to raise a particular question. Both the union and the State Governments are not able to provide enough jobs to the needy and the unemployed in the way as they used to. But the private sector is able to generate employment potential and opportunity in a big way. For instance, the Hosiery and knitting industries provide job opportunities to about 30 lakhs of people. Semi skilled, unskilled, unemployed and even uneducated women get job opportunities. People from all walks of life including scheduled castes and tribes benefit from the immense job potential of this industry. I have even shown you the photographs pertaining to the working of these units. They indicated as to how people work in these units. Last year, Central Excise was levied on powerloom. On its being represented, Hon'ble the Finance Minister gave directions to lift the same. Even at a time when the prices of yarn had soared high, the powerloom industry was able to operate efficiently because of your kind gesture. I would like to point out one thing here. Had you not acted upon our request immediately then, thousands of workers might have lost their jobs. It is only because you attended to their problem as and when necessary, the people of the country

* Translation of the speech originally delivered in Tamil.

are appreciating your Budget. At this juncture, my request to Dr. Manmohan Singh is just one. It is not for this Kuppuswamy the individual but it is for the lot of this knitting industry.

I who have been treading the path of great Kamaraj, Late Smt. Indira Gandhi, Late Shri Rajiv Gandhi and our present leader and Prime Minister Shri P.V. Narasimha Rao, would like to emphasize my demand for a common cause. This knitwear industry in the Small Scale Sector which could export to the tune of about Rs. 3500 crores has faced a sort of fall in the past one year. It has come down by about Rs. 1000 crores. Whatever be the problem faced by this industry, the processes like Dyeing, Bleaching and printing go on. There are several such tiny units thus functioning. Rolls are being shifted to various units by using cycle, Auto-Rickshaw and mopeds as mode of transportation. Bleaching is carried on in one unit. Later on those rolls are taken for printing. Calendering is done in another unit. After Dyeing is done another man will carry ten such rolls to power table. They may not be big. There may be 10 seat power table, 6 seat power table and so on. this industry though it is vast consists of several such small units. I could emphatically describe the scenario there because I have personally known this trade and particularly the plight of owners of such small units. I have represented the workers there as a Trade Union Leader. This industry is going on in this country for more than a century now. I have known the intricacies of this industry for the past thirty years.

I would like to compare this Small Scale Industry to that of a Golden Goose in the famous fable. A farmer's Golden Goose was laying one golden egg a day. The greedy man thought one day to have more eggs one and the same day by way of cutting the goose. That is not pragmatic. This industry goes on for more than 100 years now in India. If we are going to kill our industry, tiny countries like Taiwan alongwith China could out beat us. We have signed the GATT Agreement. We have announced several incentives to promote Exports. Incentives to import Capital goods machinery are commendable. But still certain problems have been pointed out. They are not ordinary representations. People from various Associations have submitted their representations. I have handed over a memorandum to you. You have assured us that you will consider them. Hon'ble Minister of State for Finance Shri Chandrasekhara Moorthy has told us that the matter will be considered. I have also submitted a memorandum signed by about 70, 80 Members of Parliament from various parties and places like Varanasi, Kanpur and Ludhiana. Not one or two but many Associations have represented the case to the Finance Ministry.

Uttar Pradesh Hosiery manufacture Association,
Amritsar Knitwear Association,

Hosiery Manufacture Association, Delhi.

Ludhiana Hosiery Manufacture Association,
West Bengal Hosiery Manufacture Association,
Tirupur Hosiery Manufacture Association.

The President of this Association alongwith Exporters Association has given a representation. Because there is a set back now. This industry could generate employment opportunity. We may not be able to provide more jobs through Food Corporation of India, Telecommunication Department, Postal Department, Banks, Union and State Government offices at this juncture. When this is available in plenty in this Small Scale Sector, we must ensure that they do not face problems leading to closure.

I humbly request you to consider this case. This Kuppuswamy knows the ins and out of this industry. That is one reason why I emphasize this point for consideration. I could not get sleep ever after the presentation of your Budget on Sixteenth of this month. I request Dr. Manmohan Singh and his colleague Minister to save this Small Scale Industry from perishing. My only interest is that this industry should grow further. My prayer to you would be that you must create a conducive atmosphere for the growth of this industry. Through this august House of the Parliament, I place my request to be considered by you.

From Kashmir to Kanyakumari, from Maharashtra to West Bengal, this industry has spread and established itself in the Small Scale Sector. That is the reason why I am laying stress on this request to spare us from Central Excise levy. I again request you to look into it immediately. When I met certain officials they gave me information that are not found to be true. This pains us. I am afraid that they scuttle the good job done by this Government. Else they may be trying to misdirect us. They claim that officials are being sent to every place. Let them go and inspect and let them ensure that this century old industry famous in India do not fall sick.

Nextly, let me bring to your notice the plight of Karur weaving knitting Factories. So many women most of them uneducated get job opportunities there. Towel manufacturing units employ women to tie knots in the made-up goods. I have given such photographs alongwith further details to our Hon'ble Minister. Such dyeing factories are found in good number in Karur, Erode, Pallipalayam, Tiruchengode, Salem, Somanur, some places in Orissa and several other States. The Yarns they handle are already taxed. Excise levy on yarn as such adds to the cost of production. How is that you propose to introduce another tax on the same material that go into the final product. When there is tax on yarn, how is that it is extended to other processes like dyeing and calendering processing, printing for and bleaching. How can you expect unhindered growth to that industry. With these hurdles we may not be able to compete with the Western

countries which have sophisticated machinery.

Likewise the bedsheet manufacturing units are facing bleak future. You told us that Handloom sector may not have additional tax burden. But something has gone wrong somewhere. Now they also come under tax net. You must look into it.

Let me tell you about wet grinder industry. I would like to bring it to the notice of the Members of Parliament present here. Wet grinder manufacture involves several labour components. Various process go into the making of this wet grinder manufacturing. Stone is obtained from the quarry. There will be another labourer who will cut the stone to make grinding stone. Plates needed for the body of the wet grinder come from another unit. Belts come from some other unit. Coimbatore is the only place in whole of India or even in whole of the world where wet grinders are manufactured. This comes under the Small Scale Sector. There are about 4000 workers depending on these units. Central Excise levy extends to such units also. After our bringing to your notice, you were kind enough to instruct them not to proceed further. But still Central Excise officials go there. Such units will not have more than 15, 20, 30 or 40 workers.

Our Coimbatore was an industrial city once. It should continue to be an industrial town. When an economist from Coimbatore Shri R.K. Shamugam Chethiar was our Finance Minister, he gave an impetus to the industrial growth of this city. During his times he was able to serve this city in his own way. Likewise I am also trying through you to get a better deal for Coimbatore. Unmindful of wild criticism levelled against him, our Finance Minister Dr. Manmohan Singh continue to contribute his mite to this country and its complex economy. We wish to have unhindered industrial growth. We must eradicate poverty. Hence, our Minister should look into the problems faced by small entrepreneurs who contribute in a big way.

You allocate funds for various schemes to be carried out in Tamil Nadu. In the interest of the nation and uniform industrial growth you must monitor their effective implementation.

When we are to speak of villages, drinking water problem is very acute. Farmers face shortage of power supply. How can they contribute to increase the production? Our signing of GATT Treaty has enabled us to export more. But care must be taken while exporting essential commodities. Our requirements should be met first. But at the same time, there should not be a ban on exporting onion, jaggery, molasses, cotton etc. I request you to consider lifting the ban after the comprehensive study of exporting these agro-products.

You must announce through this august House your favourable decision in this regard. There should be a co-ordination between Ministry of Agriculture, Ministry of Commerce, and Ministry of Finance. I do request you on behalf of the farming community.

With this, I thank the Chair for giving me this opportunity to participate in the discussion on Budget. I

also thank our young and energetic Minister of State for Parliamentary Affairs Shri Mukul Wasnik to have enabled me to put forth my views.

[Translation]

SHRI KARIYA MUNDA (Khunti): Mr. Chairman Sir, we are discussing the general budget. A Budget is a mirror of a nation which gives glimpse of its economic development, and prosperity. Our hon. Finance Minister has presented the whole budget in a very dramatical manner. He has given some concessions on some items but those who belong to high middle class income group or high income group are getting the benefit of these concessions. Too much tax exemption has been given on those luxury items which they use in their day to day life. However, no concession has been given on items like sugar, kerosene oil, wheat, rice or fertilizers etc. which are commonly used by the generally public. Thus they are deprived of the benefits of these concessions. Sir, thus the concession given in the budget is only an illusion and day-dream for the poor. Some concessions have been given to industries. However more concessions have been given to those big industries which are engaged in import and export of items. The small scale industries, medium-scale-industries, and cottage industries are not benefited by such budget concessions. If the concessions are given in such a manner, we can not protect these industries. Ultimately these will not be able to stand in the competition with multinational companies which are likely to come. As a result, small scale industries, medium scale industries and cottage industries would be closed down and unemployment and starvation will increase. Besides this, there are more opportunities of employment in medium scale industries, small scale industries and cottage industries than in the big industries. Therefore, if the Government desire to remove unemployment and starvation from the country, it should give financial and trade protection to small scale industries and cottage industries.

The hon. Minister has shown deficit in the budget but there is no mention about it as to how it will be met. In 1992-93 the percentage of those people who were living below the poverty line, was 40%. Their number was 35.5 crore according to the census of that time. This number might have increased during these two years. It has been stated that the production of foodgrains also increased during these years. We have stock of 18 crore 50 lakh tonnes of foodgrains. Despite this, foodgrains have become costly. What is its justification? It appears that the arrangements of selling the foodgrains are not proper. The sale of fair price shops has declined by 50% during last 2-3 years. It is not the reason behind it that foodgrains are not available in our stock. Its reason is that people are unemployed, they have no work, they have no money and their purchasing power has decreased. Thus, more and more families are going down to poverty line. The concession shown in the budget indicates relief to the poor as well as the rich. But it is actually a budget of rich people and only they will be benefited.

Sir, so far as the welfare of poor rural people is

concerned, a provision of Rs. 7700 crore has been made in the budget for the Ministry of Rural Development, which is two times more in comparison to previous years. The schemes for economic and social upliftment of villages were also chalked out in previous years but the villages were not developed in proportion to the amount spent. We also could not achieve the target fixed for the upliftment of those people who were living below the poverty line. When the former Prime Minister Shri Rajiv Gandhi used to visit rural areas, he used to say that only an amount of Rs. 15/- reaches in villages out of Rs. 100 which the Central Government used to send from Delhi. It means that no where in the world exploitation of poor people in such a large scale is being done where is that money going, which was being sent for the development of villages and poor people. Only Rs. 15/- reached there. Then where has Rs. 85/- been spent. It is evident, that Rs. 85/- were taken away by middlemen. Accordingly, we have made the provision of Rs. 7700 crore for the development of villages but I doubt whether this amount will reach the villages. Whether those middlemen are no more in picture now. We talk about the development of villages by spending millions of rupees therein but there are shortcomings in our functioning. Until and unless we remove those shortcomings and take it seriously, rural folk will remain poor inspite of spending the huge amount. Therefore, first of all, we have to think about our functioning, systems and schemes when we talk about villages and our schemes must be rural oriented.

19.00 hrs.

Those people should be given basic know-how of rural network, social system and cultural background etc. who are engaged in rural developmental work. Thus rural areas will be more benefited by that money which will be spent on rural development.

[English]

MR. CHAIRMAN: Mr. Munda, will you please yield for one minute? Now it is seven o' clock. In addition to Shri Munda, there is only one speaker, namely Shri Ramashray Prasad Singh. Should we sit for some more time and finish it?

PROF. RASA SINGH RAWAT (Ajmer): No Sir. We can resume the debate tomorrow.

MR. CHAIRMAN: How much more time do you require? Can you complete within five minutes?

SHRI KARIYA MUNDA: No Sir. I have started just now and I require at least another fifteen to twenty minutes. I will continue tomorrow.

MR. CHAIRMAN: The House stands adjourned to reassemble tomorrow at 11.00 hours.

19.01 hrs.

The Lok Sabha then adjourned till Eleven of the Clock on Tuesday, March 28, 1995/Chaitra 7, 1917 (Saka)