

proved useful to you and in your opinion, it is essential for the country. The circumstances under which this Bill has been introduced, the Members of the treasury benches should receive it heartily and say in one voice that this Bill is a right step to save the country from becoming bankrupt. It is in the interest of a prosperous future and good for the progress of the country. It is unfortunate that the hon. Finance Minister is not present in the House. I would like to tell him that when we talk of progress, he thinks it otherwise; when we talk of making deposits, he takes as a signed to go for borrowings, he thinks that we are putting obstacles in the way of progress. That is why I had said that he is suffering from illusions. In this connection, one poet has said:

"Hasrat Mein Har Cheese Ulti Nazar Ati Hai,  
Laila Nazar Ata Hai, Majanu Nazar Ati Hai."

Therefore, I would request Shri Manmohan Singhji that still we have time to save this country from indiscriminate liberalization. Don't sell away this country through GATT. Do not get trapped in debt and don't become Micawber. Let us march ahead together by curbing indiscriminate borrowings and putting the country on the path of progress. To achieve this goal, we should unanimously pass the Bill moved by Shri George Saheb. Thank you.

SHRI NITISH KUMAR: Mr. Chairman, Sir, the time may be increased by two hours more.

[English] ,

MR. CHAIRMAN: Time is upto 5.43 p.m. We will do it then.

17.30 hrs.

MESSAGE FROM RAJYA  
SABHA—Contd.

[English]

SECRETARY-GENERAL: Sir, I have to report the following messages received from the Secretary-General of Rajya Sabha:

- (i) 'I am directed to inform the Lok Sabha that the Rajya Sabha at its sitting held on Thursday, the 28th April, 1994, adopted the following motion in regard to the Committee on Public Accounts:—

"That this House concurs in the recommendation of the Lok Sabha that the Rajya Sabha do agree to nominate seven Members from Rajya Sabha to associate with the Committee on Public Accounts of the Lok Sabha for the term ending on the 30th April, 1995 and do proceed to elect in such manner as the Chairman may direct, seven Members from among the Members of the House to serve on the said Committee."

2. I am further to inform the Lok Sabha that in pursuance of the above motion, the following Members of the Rajya Sabha have been duly elected to the said Committee:

1. Shri S.S. Ahluwalia
2. Shri Somappa R. Bommai
3. Shri Triloki Nath Chaturvedi

[Secretary-General]

4. Miss Saroj Kahparde

5. Shri Murasoli Maran

6. Shrimati Jayanthi Natarajan

7. Shri G.G. Swell'

(ii) 'I am directed to inform the Lok Sabha that the Rajya Sabha at its sitting held on Thursday, the 28th April, 1994, adopted the following motion in regard to the Committee on Public Undertakings:—

"That this House concurs in the recommendations of the Lok Sabha that the Rajya Sabha do agree to nominate seven Members from Rajya Sabha to associate with the Committee on Public Undertakings of the Lok Sabha for the term ending on the 30th April, 1995, and do proceed to elect in such manner as the Chairman may direct, seven Members from among the Members of the House to serve on the said Committee."

2. I am further to inform the Lok Sabha that in pursuance of the above motion, the following Members of the Rajya Sabha have been duly elected to the said Committee:—

1. Shri Jagesh Desai

2. Shri R.K. Dhawan

3. Dr. Murli Manohar Joshi

4. Shri Dipankar Mukherjee

5. Shri Suresh Pachouri

6. Shri Pravat Kumar Samantaray

7. Shri G. Swaminathan'

(iii) 'I am directed to inform the Lok Sabha that the Rajya Sabha at its sitting held on Thursday, the 28th April, 1994, adopted the following motion in regard to the Committee on the Welfare of Scheduled Castes and Scheduled Tribes:—

"That this House resolves that the Rajya Sabha do join the Committee of both the Houses on the Welfare of Scheduled Castes and Scheduled Tribes for the term ending on the 30th April, 1995, and do proceed to elect, in accordance with the system of proportional representation by means of the single transferable vote, ten Members from among the Members of the House to serve on the said Committee."

2. I am further to inform the Lok Sabha that in pursuance of the above motion, the following Members of the Rajya Sabha have been duly elected to the said Committee:—

1. Shri Raj Babbar

2. Shri Ram Deo Bhandari

3. Shri Gaya Singh

4. Shri Hiphel

5. Shri Satya Prakash Malaviya

6. Miss Mayawati

7. Shri V. Narayanaswamy
8. Shri Kameshwar Paswan
9. Shri Ram Ratan Ram
10. Shri S.S. Surjewala'

17.32 hrs.

FIXATION OF LIMIT ON BORROWINGS BILL - *Contd.*

[English]

SHRI K.T. VANDAYAR (Thanjavur): Mr. Chariman, Sir, I rise to speak on the Fixation of Limit on Borrowings Bill moved by Shri George Fernandes. The Bill deals with the external borrowings which would be taken by the central Government from foreign funding agencies like international Monetary Fund, World Bank, Asian Development Bank etc., and also about the internal borrowings which the Government would resort by way of floating bonds, Treasury Receipts etc.

Sir, I agree with the spirit of the Bill that the borrowings should be within the limit. But it is difficult to put a ceiling by legislation since the discretion should be left to the Executive as the Executive is responsible to manage the affairs of the State and to manage funding and financing in a prudent way which would strengthen the Indian economy and to see that it grows stronger and stronger.

Three or four years back, before our Government headed by Narasimha Raoji took over, there was a problem in the banking sector and loan repayment was not coming forward. There was also an impression that the loan taken need

not be repaid since those loans would be waived or written off. With the result, the banks were not able to recover the loaned amount adequately from the various sectors. To make the matter worse, the Janata Dal Government announced writing off of loans taken by various people from the banks which has given a jolt to the mechanism of the banking industry. This has set a wrong precedent. After our Government came to power, the Finance Minister, Dr. Manmohan Singh has inspired confidence in the banking industry and now the banking industry is doing its work well and is able to recover the loan amount also without much difficulty since it has been made clear to one and all that once the loan is taken on interest it has to be repaid and no premium will be given for the defaulters. After all, where from the money comes for the banks. It is from the borrowings and from the deposits and from the capital amount. The money is put in rotation or circulation. When the loan is sanctioned, it is natural that the money loaned should be ploughed back in due course by way of repayment. Then only, the circulation will continue. If there is a stop somewhere, then the whole mechanism fails. So, this is one of the reasons, why the banking sector was not able to recover the amount fully from the loanees. Once the money is blocked, the Government finds it difficult to make further advances or sanction loans to the various sectors. Once this system is streamlined, to some extent, the burden on internal borrowing would be reduced.

The Bill introduced by Shri George Fernandes proposes to impose a restriction of 15 per cent of GDP as the limit for borrowings by the Centre. Now, he knows very well that the Finance Minister has already cleared some of the loans taken from the IMF even before the due date. Our Government is managing the