

MR. SPEAKER: All right, you can reply.
Shri Amal Datta, please wait for a minute.

SHRI SRIKANTA JENA: I want a clarification on the blanket ban imposed on other political parties to hold rallies in Delhi. Why there is the ban?

SHRI S. B. CHAVAN: I can very well understand the anxiety of the secular parties who would like to hold the rally and give a befitting reply to such anti secular forces. But if you have to do it, then, of course, it creates a kind of discrimination. If somebody were to approach the court of law on the point of discrimination, we feel that it would be struck down. That is why we thought it necessary. If we do not give permission to them, others also cannot do it because that can also create problems if there is a friction among themselves. (*Interruptions*)

SHRI LOKANATH CHOUDHURY (Jagatsinghpur): How can you equate those who are communal and those who are secular? It is most unfortunate to equate the two. (*Interruptions*)

MR. SPEAKER: Now, Papers to be Laid on the Table of the House.

SHRI S. B. CHAVAN.

17.52 hrs.

PAPER LAID ON THE TABLE- CONTD.

Proclamation dt. 22.2.1993
revoking the proclamation issued on
2.4.1992 in relation to the state of
Nagaland.

[*English*]

THE MINISTER OF HOME AFFAIRS (SHRI S.B. CHAVAN): Sir, I beg to lay on the

Table a copy of the Proclamation (Hindi and English versions) dated the 22nd February, 1993 issued by the President under clause (2) of Article 356 of the Constitution revoking the Proclamation issued by him on the 2nd April, 1992 in relation to the State of Nagaland, published in Notification No. G.S.R. 79 (E) in Gazette of India dated the 22nd February, 1993, under Article 356(3) of the Constitution

[Placed in Library. See No. L.T. 3380/93]

SHRI SOMNATH CHATTERJEE (Bolpur): Sir, before the next item is taken up, I would request the hon. Home Minister one thing. He should not say 'no'. He should say: "Well, we will assess the situation when any other party wants to do it." You consider it on merit. Why do you say here and now?

SHRI S.B. CHAVAN: We can discuss the matter. (*Interruptions*)

MR. SPEAKER: This cannot go on like this. I am not allowing Shri Nitish Kumar. His statement is not going on record.

(*Interruptions*) *

17.53 hrs.

DISCUSSIONS UNDER RULE 193 -
CONT'D.

(ii) Rise in Administered Prices of Coal, Steel etc. and introduction of Dual pricing system for LPG and Kerosene

[*English*]

SHRI AMAL DATTA (Diamond Harbour): Mr. Speaker, Sir, I thank you very much for calling me although it is nearing six of the clock. However, since an opportunity is being given on the very first day of this session, we must not miss that opportunity.

[Sh. Amal Datta]

Therefore, we start even at the fag end of the day.

Sir, before every Budget Session, there has always been some increase in administered prices. Although, lately, this has not been so much, in 1991, it was very little; in 1991-92 also it was not much. We thought that this era of odious increase in prices by the Government before the Budget, without facing the House, without giving an opportunity for the representatives of the people to approve of the Government's proposal for such price increase, has come to an end or at least it will not be so exorbitant as before. But unfortunately, again, the Government has shown its teeth in doing this just a few days, only about 10 days, before the Budget Session was to start. This is very unfortunate because the reason why we were always protesting against such price rises is well-known. Because, the administered price hike in this fashion affects the economy in two ways. In both the ways, it goes against the poor people. First of all, usually, we see that the administered price hike affects commodities which are used by the poor people. As in this case we see, the price of wheat and rice, the issue price of wheat and rice in the PDS has been raised. The price of kerosene is going to be raised with the introduction of a dual pricing system. Obviously, the issue price of sugar has been raised. But these are going to affect the budget of the poorer sections of the people who cannot prepare themselves against the price rise. They are weak, they are manual workers, they are the salaried classes who cannot have continuous increase in salary just because the prices have gone up. But apart from the direct effect that this price hike has on commodities used by poor people, it has an indirect effect because of the increase in the input cost like energy. In this case, coal prices have increased. And the coal price increase would automatically mean price

increase of electricity, price increase of so many other industries which use coal. Coal is the universal energy producing commodity. And these are the intermediate goods like steel, coal, raw materials for various industries and, therefore, they will have an effect in all these industries at various levels. This is what we call multiplier effect of the primary price increase, of the cascading effect, that is much more picturesque word, on the general price level.

It is well-known that what the Government is hoping to get by way of such price increase is much less than what the poor people will ultimately lose. This is the fallacy of the increase in the administered price and the Government knows it. In spite of that, they resort to this serious method of taxing poor people. I do not know what the Government is going to get out of this administered price increase this time. Earlier they used to say also that through this administered price increase on this commodity on the commodity they are going to get Rs. 200 crores or Rs. 400 crores and like that. This time they have not given any estimate. I do not know the reason behind it. May be so, because our criticism is dull. But supposing Government is going to get only Rs. 1000 crores out of this price increase, the poor people will not lose only Rs. 1000 crores from their pockets. They will take out Rs. 2000 or Rs. 3000 crores because many price increases will follow. Some will follow as a consequence of price increase of an input, some will follow sympathetically because some prices have been increased. The traders will find opportunity to increase other prices which have no connection with this particular input. They will take this opportunity. Actually, the people will lose much more than what the Government will gain. And this balance will go to the pockets of the industrialists, the traders, the shopkeepers, the brokers, commission agents and all kinds of people who usually do not pay the tax. In other words, this will accentuate the problem.

of black money in the society with all its attendant ill effects. This is most unfortunate that it is not only undemocratic, it is absolutely inequitable and it encourages exactly that which the Government says about black money, about black economy about taxing the poor to benefit the rich and so on. This is exactly what the Government says and they stand against. The Government is even today saying so. Earlier they were saying it with much more force. But today even meekly they are saying that they do not stand for those people in the society who are making black money and using that black money to generate wealth outside the economy, outside the monetised economy.

18.00 hrs.

Sir, this is one aspect. Secondly, why is it happening every time? Just because of the Budget, we are not protesting against it. It is not only because of that, it is also because the Government just does not care. If the IMF or World Bank, if they have told them that they should not tax this or that, not to hike this interest or that, that I can understand. But, why have they increased the prices of these things?

Today, we find a very peculiar situation. The wheat prices have been increased. They say that because they are giving Rs. 50 more per quintal, that is, 50 paise more per Kg of wheat, when they are purchasing wheat from the farmer, these prices have been increased. But, in fact, do they purchase wheat from the farmers? They do not purchase wheat from the farmers. They purchase it from aarti and they purchase it from middlemen. When the Government goes for these purchase operations, by that time the wheat has already gone out of the poor farmer, the wheat has already gone to the trader. And, therefore, what happens is that the Government is benefitting the traders.

We have heard this story when we're

discussing earlier about the import of wheat. The story which the then Food Minister gave was that because they were not able to purchase enough wheat for the PDS, therefore, they had to resort to imports, at more than Rs. 5/- whereas they were not able to give even Rs 3/- to the Indian farmers. But, in fact it was not Indian farmers - Indian farmers would have gladly sold - and it is the Indian traders and black marketeers, who were holding the wheat and they knew that they could bring the Government to its knees.

18.02 hrs.

[SHRI NITISH KUMAR in the Chair]

[Translation]

Sir, I think you will agree with me wholly.

SHRI SRIKANTAJENA (Cuttack): How long the house will go on.

MR. CHAIRMAN: Up to 7- 'O' Clock

SHRI RAM NAIK (Bombay North): Without taking the permission of the House, the time cannot be extended. Have you taken the consent of the house or not....
(Interruptions)

[English]

SHRI LOKANATH CHOUDHURY (Jagatsinghpur): Unless you take the consent, the time cannot be extended. That is the Rule. (Interruptions)

THE MINISTER OF STATE IN THE
MINISTRY OF SCIENCE AND
TECHNOLOGY (DEPARTMENT OF
ELECTRONICS AND DEPARTMENT OF
OCEAN DEVELOPMENT) AND THE
MINISTER OF STATE IN THE MINISTRY
OF PARLIAMENTARY AFFAIRS (SHRI
RANGARAJANKUMARAMANGALAM): Sir,

[Sh. Rangarajan Kumaramangalam]

I understand that the Speaker had already ruled that we will be sitting up to 7 - O'clock. The House has agreed to that.

SHRI SRIKANTA JENA: Sir, we will sit up to 6.30 p.m. That should be the maximum period.

MR. CHAIRMAN: First, let him conclude. After that, I will take the sense of the House.

THE MINISTER OF STATE OF THE MINISTRY OF STEEL (SHRI SONTOSH MOHAN DEV): Sir, when you make your judgment, you forget about him. You may make the judgment on your own. It has been decided that the House should sit up to 7 - O'clock. (Interruptions)

SHRI LOKANATH CHOUDHURY: Sir, how can he resume? You have to give your verdict.

MR. CHAIRMAN: Shri Amal Datta, Please resume your speech.

SHRI AMAL DATTA: Sir, I was saying that when the Government gives this increase in wheat prices, it does not really reach the producer of wheat, that is, the farmer. In the name of giving a just remuneration for the farmer, they are passing money into the pockets of the traders. The increase announced by the Government comes much much later. It does not reach the farmer before the farmer actually makes a distress sale of his produce to the trader. Even for argument's sake, it is assumed that the Government actually have to pay Rs. 50 per quintal more for wheat or rice to get enough for the PDS supply. Even then, is the issue price increase that the Government has resorted to justified?

There are so many other calculations. Why is the Government not able to see that

the commodities that they procure in the market are all kept in proper conditions and no loss is incurred. It is well known that the Government's storage system is so bad that a very substantial percentage of the commodities procured by the Government is ultimately destroyed as being not fit for human consumption. This is the inefficiency of the Government and the Government's inclination to pass money on to the traders and brokers who are the supporters of the Government. Because of that, the poor people have to pay through their nose in the form of increase in issue price of wheat.

You know about LPG and kerosene. LPG is not something which actually comes to the poor people. Today, I find in all the metropolitan cities like Delhi, Bombay and Calcutta, even the lower middle class people are at least using LPG as a domestic fuel. Not only that, it is to be encouraged for the reason that the environment in all these metropolitan cities has become so bad that people are afflicted by lot of diseases which can only be alleviated by using more and more fuel like the LPG. In that case, the Government should have taken up a policy.

We knew for so many years that the environmental pollution in these cities was becoming too much. In fact, both in Delhi and Calcutta - I do not know the situation in Bombay - the pollution level is five times the level which is acceptable under international standards. Therefore, the Government should have taken up a policy of producing and making available more LPG.

On the other hand, what has the Government been doing? They have been burning out the associated gas which is coming out of the Bombay High and other oilfields of India. The daily wastage of these associated gases are measured in terms of millions of cubic feet. Six, seven or eight million cubic feet are daily burnt off. Who has to pay for this Government's lack of decision,

failure to take a decision, failure to make proper investments although they had a lot of surplus in the oil sector? In the oil equalisation account, there was, at one time, an amount of Rs. 10,000 crore. When Prof. Madhu Dandavate became the Finance Minister and Mr. Gurupadaswamy was the Petroleum Minister, I went to both of them and asked them: what has happened to this fund. There is a reference to that in various reports. They said: they did not know how the previous Government had disposed of this money. On what account, have they spent this money. Rs. 10,000 crore have been spent. An amount of Rs. 10,000 crores was there. In fact, later on, I was in a seminar and I said the same thing about Rs. 10,000 crores and I was corrected by an expert in that seminar, that is, the Petroleum Secretary that ultimately it became more than Rs. 14,000 crores. That money has gone. How has it gone and where it has gone? Nobody knows about this. So, after this, the Government makes a dual pricing to get another Rs. 200 or Rs. 400 cores out of the poor people's pocket. This is a marvellous way in which these people are running the Government for the last so many years and it is out of that frustration, I think, that the common people are going in for the BJP now. The evil of one-party rule is that they have not cared for accountability to Parliament. This is the evil of one rule and you can see the effect of that in countries like Algeria, Morocco and some other places.

The worst thing about the administered prices is this is done by the Government unilaterally without the approval of the Parliament. Secondly, it takes money out the pocket of the poor people and thirdly, it puts money into the pocket of the intermediaries and black money generators. The Government's inefficiency is also hidden by this system of increase in administered prices. There is a mechanism as to what should be the prices. The price increases are recommended by the BICP. (Interruptions)

[Translation]

SHRI CHHEDI PASWAN (Sasaram): Mr. Chairman, Sir the issue of coal is being discussed in the House but the Minister of Coal is not present in the House.

[English]

MR. CHAIRMAN: Government is present here.

SHRI SONTOSH MOHAN DEV: A discussion is going on in the Rajya Sabha on the same subject. We two are here and others are there.

I think it is necessary to bring it to the notice of the House that the hon. Minister of State for Coal had raised this point and had mentioned it to the Speaker. He had taken permission and he is in the other House in the other discussion.

SHRI SRIKANTA JENA: But the other House has already adjourned.

MR. CHAIRMAN: Anyway, Government is present here. Please resume your speech.

[Translation]

SHRI DEVENDRA PRASAD YADAV (Jhanjhpur): Mr. Chairman, Sir, an important issue is being discussed at present but the Government if not taking it seriously.

[English]

SHRI AMAL DATTA: Government is trying to hide its inefficiency regarding administered price increase. If they really require to be increased, then they would have gone on the basis of BICP recommendations. They would have come before the House saying that these are the recommendations and that they have to make these increases as there is not other

(ii) *Rise in Administered Prices of Coal, Steel etc. and i. introduction of Dual pricing system for LPG & Kerosene*

[Sh. Amal Datta]

way out. But they have never done it and they have not done it this year also.

The other thing is that when the price of a commodity is increased in this fashion by way of administered price increase, the same thing would have happened if the Government would have imposed a tax like that of excise duty. In that case, Government would have to give a share of that to the State Governments and they do not want to give that share also. They want to enjoy all benefits by themselves so that State Governments do not get money and Government of India can have a control on the State Governments' revenues, exchequers and purses by putting them in discretionary grants. Most of the State Governments have half their budgets financed from the Central Budget by way of discretionary grants. That is where the Government wants the State Governments to be at their mercy. This is the fifth reason and most important reason why the Government resorts to administered price increase instead of trying to pick up the same money by way of increasing taxation. This is a very bad practice. This has been protested again and again and just to foxes, Government is not coming out with actual figures as to how much money they are going to get. There are many estimates from one thousand crore to five thousand crores. But they have not come out with the figures as to how much money they are actually going to get according to their own estimates. So, this practice must be abandoned and the Government should recall this price increase immediately either before the Budget or through the Budgetary process. This is my submission and I hope Government will pay heed to it.

MR. CHAIRMAN: I think it is the sense of the House that we sit upto 7 - O' clock.

SHRI SRIKANTA JENA: It was not

decided so. It was decided that after the hon. Member completes his speech, the House may adjourn for the day.

[Translation]

MR. CHAIRMAN: For the first time, I am sitting here, you should at least agree to it. (Interruptions)

SHRI CHHEDI PASWAN: The notices under Rule 377 are also pending for discussion.

MR. CHAIRMAN: Yes.

SHRI CHHEDI PASWAN: You must take them up first.

MR. CHAIRMAN: O.K.

18.17 hrs.

MATTERS UNDER RULE 377

- (i) **Need to include displaced Bengalis from erstwhile East Pakistan settled in different parts of the country in the list of Scheduled Castes**

[Translation]

DR. P.R. GANGWAR (Pilibhit): Mr. Chairman, Sir, the displaced Bengali families migrated to India from 1941 to 1968, much before the independence of India. The Government of India rehabilitated them in West Bengal. Later on during the period from 1946 to 1962 they were sent to different States. At that time there was no issue regarding Scheduled Caste's and Scheduled Tribes. After 1965, the Government of West Bengal recognised Mamoshudra, Majhi, Pandkhetra, Mandal as Scheduled Castes. A Bill regarding the caste certificates in respect of the displaced Bengali families was presented in third and fourth Lok Sabha but