

Government to take steps for early commissioning of Akashvani Centre there.

[Translation]

(vii) **Need to provide Constitutional status to Minorities Commission.**

SHRI NITISHKUMAR (BARR): Mr. Deputy Speaker, sir, all the legal formalities have been completed to provide constitutional status to the Minorities Commission about one year ago, yet the post of the Chairman, Minorities Commission has been lying vacant so far. Consequently, the work of the Commission has come to a standstill. Even the Annual Report for the financial year 1992-93 has not been submitted. The vacancy of para representative has also been lying vacant for the past several months.

therefore, with a view to instill a feeling of confidence among the minority communities, I would like to urge upon the Central government to give constitutional status to the Minorities Commission

(viii) **Need to direct ONGC to pay its share for construction of bridge at Yanam and Yeduralanka**

SHRI G.M.C. BALAYOGI (Amalapuram): At present people in Konaseema area have to cross Gowthami branch of river Godavari by ferry service from Yeduralanka to Konaseema to Yanam in Pondicherry Union Territory and then to proceed by road to Kakinada. It is proposed to construct a high level bridge at this place to provide facilities to the public of Konaseema and to transport their agricultural produce to the markets of Yanam and Kakinada and vice versa. It will facilitate the ONGC activities in Krishna and Godavari basins which are in full swing for the movement of their vehicles and also supply of natural gas to other industrially developing centers. The cost of the bridge is estimated at Rs 85 crore.

The Government of Andhra Pradesh had

taken up the matter with Government of India and the Pondicherry Government to share the cost of the bridge by equal ratio i.e. 1:1:1 by the Pondicherry Government, the ONGC and the Government of Andhra Pradesh. The Pondicherry Government has agreed to pay its share; the Government of Andhra Pradesh has also agreed to pay its share

I, therefore, request the Central government to kindly issue necessary orders to ONGC to pay its share of the cost of construction of the bridge at Yanam and Yeduralanka.

SHRI RAM VILAS PASWAN (Rosera). Mr. Deputy-Speaker, Sir, the Minister of state in the Ministry of Parliamentary Affairs has confirmed that an accident has occurred

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, I simply contacted the Office of the hon. Minister for civil Aviation. They are still collecting the information. As soon as they get the information, they will inform the House

MR. DEPUTY-SPEAKER: The minister will come with the substantive information..

MR. DEPUTY-SPEAKER: Now, we shall take up further discussion on the General Budget

14.47 hrs

#### GENERAL BUDGET 1993-94 GENERAL DISCUSSION

PROF. K. VENKATAGIRI GOWDA (Bangalore South): Mr. Deputy-Speaker, Sir, I need to speak on the third Budget for the current year.. This is the third Budget presented by Dr. Manmohan Singhji. The first Budget was presented in the month of July 1991; the second in February 1992; and the third in February 1993.

[Prof K Venkatagiri Gowda]

year

When I spoke on the first Budget in July 1991, I had made a savage attack on the Budget and its illustrious author. When I spoke on the second Budget in March 1992, I said that the Budget like the curate's egg, is good in parts and I welcomed the good parts of it.

Now I am speaking on the third Budget. I do not know what exactly to say. I would not join with those who call the Budget a mass deception. It would be ungenerous to do so. I do not also join with those who call it a harbinger of hope, of stability, of equity and of external solvency. But I must make a comment and that comment is that the Budget is confounding and disappointing in the extreme.

The country is faced with three crises: inflation, recession and balance of payment crisis. They are not new to the country. They are there for the last thirty-five years ever since 1956 when the Second Plan was launched. But we cannot blame Dr. Manmohan Singh for the crisis now because they had a long history. In 1956, the Second Plan was launched. The plan was based on the Nehruvian model. In the First Plan, there was no inflation crisis nor was there any balance of payment crisis. The First Plan was a time affair. It was agriculture-oriented. It was small in size. The amount of deficit was very small. As a result, during the Plan period, the price level fell. There was also a balance of payment surplus.

In 1954, Mr. Chairman Lai, the Chinese premier, visited India. He was taken to several parts of the country. And on his way back, he invited Pandit Nehru to visit China. In the following year, in 1955, Nehru visited China and he was taken around the Chinese industrial establishments. The Shines model was based upon the Russian model. The Russian model was based upon the Feldman model. And this was heavy industry oriented. In 1955, Pandit

Nehru came back to India and wanted to prepare a Plan along the Chinese model. He invited his Economic Adviser, Prof. P.C. Mahalanobis to prepare a Plan along the Chinese model.

The amount of deficit financing was Rs. 800 crores for the entire plan period that is Rs. 160 crores per year. At that time, Professor Kaldor of Cambridge University was invited to prepare a report on Indian tax reform. He met the Planning Commission Members and he said, your plan is badly conceived and the country is not able to digest Rs. 800 crores of deficit financing. Then Professor Colin Clark of Ford published a booklet called "Growthmanship" where he said "In an extraordinarily foolish statement Mr. Nehru said, you must produce machines to produce machines. The country is not in a position to undertake this kind of a plan. However, the plan was launched. Two years later the inflation crisis and balance of payment crisis sprang up. The Plan was pruned but the core was kept intact and the core was heavy industry. The subsequent Plans were based on the same Nehruvian model, but with certain marginal adjustments. Therefore, the two crises persisted and they are persisting even today.

Shri Manmohan Singh's Budget is based on the Targets-instruments approach to economic policy. familiarise by Professor Jan Tinbergen of Netherlands. According to this approach, there should be as many instruments as there are targets. If there is one target, one instrument is enough. If there are three targets, three instruments are necessary. Shri Manmohan Singh has adopted three instruments to realise three targets. The targets are: reduction of inflation rate, remedying recession and establishing balance of payment equilibrium.

The fiscal deficit was 8.5 per cent of GDP in 1991. It was brought down to 6.5 per cent of GDP in 1992. It was further brought down to 5 per cent in 1993. The present Budget wants to bring it down to 4.5 per cent. Even then, the deficit is an inflationary factor. Just before the Budget was announced, there were hikes in various prices.

The prices of coal, steel, sugar etc. had been increased and they fetched to the Government Rs 3000 crores. Then, there was a hike in freight rates which fetched the government Rs 1850 crores. The hike in freight rates had a cascading effect on the price level because as the transport cost rose, it had to be passed on to the consumers of goods in the form of higher prices.

Shri Manmohan Singh announced monetary policy to remedy recession. The bank lending rate was reduced from 18 per cent to 17 per cent in order to make borrowing cheap and to encourage borrowing for investment and consumption. The industry felt that reduction of lending rate by one per cent was not enough. Furthermore, the Statutory Liquidity Ratio and the Cash Reserved Ratio were also reduced in order to increase the funds available at the disposal of the banks and to enable them to lend more liberally. So these factors were intended to remedy the recession. At the same, they are adding to inflationary forces in the economy. Low interest means more borrowing, more borrowing means more spending and more spending means higher prices.

Thirdly, the Finance Minister introduced, what is called unified exchange rate which is normally called full convertibility of the rupee. Last year rupee was made partially convertible. Under this scheme, 40 per cent of the foreign exchange had to be surrendered by the exports to the Reserve Bank of India at the official rate and the remaining sixty per cent had to be sold at the market rate. But now the exchange rate is made fully convertible and the exchange rate between rupee and dollar is Rs 32 or so. The Finance Minister thinks that the rupee will be stable and it will not depreciate further. The exchange rate has not fallen because, therefore, this held up the value of the rupee from falling any more. An American research institute has said that in the course of the year the exchange rate will fall to Rs 34-35 in which case the value of imports will rise, especially the value of oil which we import will rise. This adds to inflationary forces in the economy.

Apart from all these things, there are certain other factors which should be taken into account in judging the budget. Take, for example, the tax policy. The Finance Minister has not been very kind to the tax-payers. Last year he had reduced the tax rates but this year he has not reduced the taxes at all. Furthermore, he has kept the exemption limit at Rs 28,000. Prof. Madhu Dandavate had raised it from Rs 18,000 to Rs 22,000. In the first budget, Dr. Manmohan Singh had kept it at Rs 22,000 but last year he raised it to Rs 28,000. Now he has kept it at the same level. In 1961 the exemption limit was Rs 15,000. At the present price level that should have been Rs 50,000 therefore the limit should be raised at least to Rs 40,000, if not to Rs 50,000, to give relief to the taxpayer from the rigours of inflation. Similarly, the standard deduction is Rs 15,000 in the case of male employees and Rs 18,000 in the case of female employees. It should be the other way round because the responsibility of bringing up the children and maintaining the family rests more on the male income earner than on the female income earner. Therefore, it should be reversed or it should be made equal.

In the case of corporate taxes, the Finance Minister has not reduced them at all. The corporations need funds to be able to increase the investment and grow. So, their investment depends mostly on internal savings. If the savings are more, then they will invest more and grow faster.

Furthermore, the double taxation of dividends should also be avoided and depreciation based on the replacement cost should be introduced in place of the present system of historical cost.

Furthermore, there is need to graduate the wealth-tax rates and gift tax rates to be able to curb the menace of black money. What about the balance of payments? It is in a state of crisis. At present, the deficit is of the order of Rs 10,000 crores and in the course of time with the rise in the value of imports with the rise in the value of

[Prof. K. Venkatagiri Gowda]

oil, it will rise further. Unless exports are increased and imports are reduced, it will not be able to curb the balance of payment deficit. At present, the exports are rising only at the rate of four per cent whereas imports are rising at the rate of eighteen per cent. This explains the gap. The Government introduced the new Exim policy last year. Under that, imports were liberalised, with the result imports poured into the country to a great extent and flooded the economy.

15.00 hrs

But the exports are not able to rise as compared to imports, for several reasons. In the first place the exports lack quality and price-competitiveness. Secondly there is recession in western countries to which our exports go and they have erected protective barriers against our exports, and we are not able to control them. Thirdly, India lost a very good market in Soviet Russia. For these reasons the exports could not rise. For these reasons, the balance of payment gap is going to persist for a long time.

How to meet this problem? The I.M.F. and the World Bank are there to give us money and this will be used to close the gap. But this adds to the debt burden and lands the economy at the threshold of debt trap. We will not be able to repay these debts nor our children or grand-children.

These are the problems with which the Finance Minister is not concerned at all. The crisis can be resolved by means of the following measures: By imposing a constitutional limit on internal borrowing and external borrowing; at present the total debt is of the order of Rs. 4,50,000 crores. Unless this is brought down, the country will not and cannot solve the problems. therefore, if the country imposes constitutional limit on borrowings, the prices would stabilise and the balance of payments gap would also be reduced.

There should be constitutional limit on the monetary expansion also. At present the money

is growing at 16 per cent rate per annum. This means more purchasing power and more spending and higher prices. Higher prices mean more imports, less exports and balance of payments gap.

- At the same time there should and freeze on the D.A. Paid to the Central Government employees. Yesterday there was a press report that additional dearness allowance is released to the Central Government employees which will cost the exchequer Rs. 750 crores. Where is the money? This would increase the Budget deficit. A wage-freeze and D.A.-freeze should be introduced.

If these measures are adopted then there will be no inflation at all.

the hon. Finance Minister has said that with the reduction in the rates of customs duties and excise duties the inflation is reduced. The customs duties are reduced by 14 per cent and the excise duties are reduced by four per cent. This makes the imports cheaper than domestic goods. And this area signifies rise in the demand for imports other than in the demand for domestic goods. The domestic industry will have to face the recession again. The reduction of import duties is import-promoting rather than export-promoting.

Furthermore the hon. Finance minister has said that this will reduce the price level in the first instance the prices will, of course, fall. But they will rise again for two reasons. Firstly the lowered prices mean higher demand and higher demand means higher prices. Secondly with the fall in prices, supply of money remaining constant, the real balances rise and this rise in the real balances a rise in demand which gives a rise in price level.

Therefore, as I said already, the Budget is confounding and disappointing. I hope that the hon. Finance Minister will take the suggestions made over here with due seriousness and revise his proposals when he replies to the Budget



debate.

Thank you.

15.04 hrs

SHRI SUDHIR SAWANT (Rajapur). Mr. Deputy Speaker, Sir I rise to support the Budget for 1993-94. At the outset I will thank the Government and Dr. Manmohan Singh for pulling the country out of deep crisis of June, 1991 and bringing us to a situation where we can think of facing the future with confidence.

15.05 hrs

[SHRI NITISH KUMAR in the chair]

In June 1991 this country was on the brink of bankruptcy, but having charted out the new policy—the economic policy, the industrial policy and the trade policy—the Government has today succeeded in stabilising the situation wherein we can now look forward to embarking on the path of progress and going into the 21st century as a strong nation based on a strong economy. However, we must realise that in today's world the situation is characterised by instability and uncertainty where the battle for markets has been joined and wherein the battle would become more viscous as the days go by, and that is why we will not be able to look for formulae or ideologies which will have universal application but we will have to become more practical today and that is precisely what the Government has done. Taking stock of the situation that is existing, we have embarked on a path a direction, which I am certain will bring us to the path of progress. However in this hostile world, which is essentially hostile for this country today, we must realise that we cannot be hindered by ideological dogmatism at the same time we will have to be practical and not denigrate any ideologies merely because they have not succeeded because while socialism has not succeeded in giving the desired quality of life which is aimed at, nevertheless it gave every human being the right to be human

At the same time capitalism has also not succeeded in giving the desired quality of life and led to issues like unemployment, poverty, and moral and social corruption. Whereas free market economy can be an ideal mechanism where there is healthy competition, but at the same time there is a demand for reduction of trade intervention and a free market economy where there is no state intervention will create a situation which is very dangerous for humanity because in free market economy also there are all chances of monopoly or concentration of economic wealth into the hands of a few and where there is no State intervention, those of the few who hold the economic power would also hold the political power and essentially it would give rise to economic corporations transcending international boundaries and give rise to sovereign multinational corporations in place of sovereign nations. In such a situation where the shift in the listed figure happens to go into the hands of some demigods, it would lead the world to doom. We are thankful that Hitler did not have a nuclear trigger but such a situation can arise in future. My formulation essentially would appear Hawkish at this point of time but this is a direction in which the world may go and this is a danger against which we will have to guard ourselves.

There has been a continuous debate on public sector and private sector. The Finance Minister in his Budget speech has said that public sector must generate surpluses, that continued budgetary support has led to inefficiency and has led to failure of public sector. I may agree to this but essentially what have we done to make the public sector an efficient machine? The public sector certainly can generate surpluses if it is given the condition to generate surpluses. I would quote for example the Cement Corporation of India one of the ten most loss-making Companies which was given a dynamic leadership and has been converted into a profit-making enterprise.

Because, the first factor that is required for the public sector is autonomy in decision. The

[Sh Sudhn Sawant]

second factor is that the public sector is not free to enter or to indulge in those practices which the private sector indulges in. That is where in many places even the Government sector has not supported the public sector. For example in my district itself there was tremendous opposition to buying cement from the Cement Corporation of India in spite of getting a favorable tender. The reason was that somebody has greased the palm of somebody and that is why the public sector cannot indulge in such practices. Hence we must now take real stock of the situation and support the public sector in manner and give it autonomy in decision and proper leadership. If it is done definitely the public sector will generate surpluses. This I can say with confidence. I would also say that the public sector has failed in many places because of the geographical location. It is also because the public sector had taken up apart from profit motives the other motives that is development of backward areas. Hence I again compare public sector with the private sector. It is because the private sector has also failed in many areas. That is why public sector is not non-redundant in today's set up. But for the economic progress we will require public sector to generate surpluses. For that we must try to create necessary conditions. But apart from this debate we require to develop an alternative. The third alternative being in the field of cooperatives. It is because in this field it has been neglected at the national level. I agree that free market economy can generate economic growth. But it cannot address to the problem of equity. This has been clearly stated in the Eighth Plan document. If you have to address to the question of equity then you have to look for credible alternatives. The living example is Western Maharashtra sand zone. Here there was no water for 30 years and because of cooperative movement this region transformed into a region now stands which has catered for majority needs of the population and also generated surpluses. It has also addressed to the problem of equity. Western Europe has clearly contrib-

uted to the progress because of cooperative sector. In Italy itself the turnover of the cooperative sector is 20 billion dollars, Germany it is 32 billion dollars and practically in every field there is already a cooperative movement. Take the examples of tourism, insurance, banking and so on.

It was initially supported by the Government but in a free market condition it can look after itself. It is also needed in many other fields like manufacturing of steel, ceramics, construction activities and so on. In Sixty per cent on the Western European countries agriculture is in cooperative sector. If you want to learn from the West then you must learn these issues which are addressed to equity and not to merely try to coin attractive phrases of free market economy.

When we talk of progress of agriculture we must realise as stated by the Finance Minister giving remunerative prices to farmers as compensation against increase in fertilizer prices. How much of it can generate surpluses in this country to take advantage of this remunerative pricing? A majority of the constituencies which are situated in coastal areas including my constituency in hilly and backward areas there the land holdings are small. When land holdings are small they are spread along a large area. For example my family owns seven acres of land and it is spread around an area of 3 kms to 4 kms.

I can never hope to take advantage of irrigation modern agriculture because there is no consolidation of land holdings. The Eighth Plan talks of consolidation of land holdings. But the only method we can do consolidation is not by Government action but by cooperative action and that is why cooperative farming is one area in which the Government must concentrate on and the cooperative farming is an area in which like in Mizoram the farming is totally cooperative. In Nagaland the farming is totally cooperative but it has not been given institutional backing and institutional recognition and that is why the need of the hour is to give recognition for cooperative farming and coop-

erative field ,

As far as agriculture is concerned, I congratulate the Government again for the increase of 36 per cent in the outlay. However, this itself is not sufficient because the basic problem of agriculture is credit. The credit has also been increased from Rs 30,800 crore to Rs 16,500 crore - an increase of 20 per cent which is also welcome. But which are the farmers which can utilise this credits? That is a problem, and hence this increase in credit must be linked with cooperative farming to really have the benefits percolate to the lowest land holders in this country, because, otherwise, the credit will be utilised by farmers, if not, holding, and NABARD must be told to formulate certain schemes in this regard.

The Next thing is fishery because we talk of export. Cooperative system can, in fact, contribute, to a great extent in agricultural export and export of fishery. But nothing has been done in this regard at the national level as well as at the state level also except for Maharashtra where we have shown the path where grapes are being exported by cooperative farming. Last year I demanded in the Parliament that Mangos should be exported. This year, cooperative system is functioning well and the mangos are being exported. It is an example, if we want to promote export in the agricultural field, the methodology has to be in the cooperative field and cooperatives should be encouraged and given concessional finance which has been designed for export, and cooperatives purely meant for export must also be encouraged.

Fishery is a trade which has been not recognised at the national level and no attention has been paid. I have to make such an allegation because probably the seat of political power has always been held by people who have no coastal linkage, but fishery is one department where tremendous opportunities exist today for increase of export, and that is why I call on the Government to establish a separate Ministry for fishery and also a separate Ministry for cooperation because cooperative field now requires to

integrate industrial cooperatives and agricultural cooperatives and also cooperatives in tourism. I would also call upon the Finance Minister - I have already submitted a demand - that if we want to deregulate the insurance sector then you must do it in the cooperative field, hence in the cooperative field we can do an experiment where insurance sector can also be brought into it.

The most important demand from my constituency is about the debt relief. In 1989, there was a package fortunately for us. But at that time, the Finance Minister of this country was from my constituency, and that debt relief was promised to the farmers and a condition was put for recognising non-wilful defaulters. A condition was put by the Ministry of Newer System and because of the Anewari System, none of the farmers in my constituency could get the benefit of this debt relief. Why? Because in my constituency only 7000 farmers could get the benefit of debt relief whereas in Satire District 1 1/2 lakh farmers could get the benefit, in Akola District 1 1/2 lakh farmers could get the benefit. And this Anewari System has been inequitable and violate Article 14 of the Constitution. This has also been brought to the notice of this House.

Then I asked whether there were any interim measures I said O.K. you do not want to give debt-relief right, because I myself am against the debt-relief. It is against banking system, against the norms. But why I am speaking here and why am I demanding is because the farmers of my constituency had to suffer. The farmers in my constituency have been discriminated against. Hence I would request the Government here at least to take steps to waive the interest on the loan because today all the cooperative institutions disbursing finance have been on the brink of bankruptcy. I would request the Finance Minister to consider this position and at least take steps to waive-off interest and also to again allocate loans in the district cooperative banks to establish themselves.

One last point I want to bring about the

[Sh. Sudhn Sawant]

black-money any and smuggling. Both of these are inter-related. I have a letter on 6th April 1992 with the signatures of 75 Members of Parliament of this House. Black-money and smuggling are prevalent in the economy for a long time. The reason is because there is no organisation to deal with this problem.

The Customs Department which deals with the smuggling is dealing with this problem in a limited manner. There are Directorates of Revenue, Intelligence and Narcotics Control Bureau which are supposed to be responsible for controlling smuggling because smuggling is the federation of organised crime on which foundation there is lawlessness and the law and order problem of the country is mainly because of smuggling. What has happened?

The Customs Act Prevent the State police, the CBI, the RAW, Intelligence Bureau from launching investigation and prosecution against smuggling. There is no interaction, there is no coordination between these forces and this gives rise to underworld and people like Dawood Ibrahim whom Pakistan utilises. They are abducting in safe heavens like the Gulf from where they run the smuggling operations which encourages terrorism. The entire funding of terrorism in Punjab was done from Bombay and that is why today we see the results where the blasts in Bombay have taken crores. Where new situation is being created, where the Underworld rules the institutions of State, of every political party and corrupts every structure of the society. That is why the first Act that Government and the Finance Ministry must take is to amend the Customs Act and give the State policy powers to investigate and prosecute.

The RDX was landed on the coast of Konkan and the Policy could not interfere with the launches in the sea until it was landed on the beaches. Even then the Police was not supposed to prosecute or launch investigation.

However, in the last one year the Maharashtra Police and the Customs Department worked well in league and 220 kgs of narcotics was seized in just one year. This was because of the coordination but that does not solve the problem. What is required is amendment of the Customs Act.

Lastly, I will take Home, Defiance and Intelligence. These are the three elements of the Budget about which we know nothing. Neither the House discusses anything about it. I will not say whether the allocation on Defiance and Home is more or less because I cannot say as I do not know. However, I can tell you one thing that certain the Defiance structure requires total reorganisation and for total reorganisation we must have a small standing army with large amount of reserves. This is the principle on which we must function. More manpower does not mean credible defiance machinery what we require is the striking potential and this has to be created.

The Arun Singh Committee Report has not yet been placed before the House. I would request that the Government now appoint a Committee to go into the Arun Singh Committee Report and give a final report.

I will now come to the Intelligence community. Every organisation in this country is raising its intelligence agency. The Economic Affairs has got its own economic intelligence agency.

The Home Minister has got its own intelligence agency, the Defiance Ministry has got its own intelligence agency and I believe now the Health Ministry has also got one. The result is that in places like Jammu and Kashmir, Punjab and the border areas there is a mixture of hundreds of agencies working at cross purposes. There are even incidents of one agency killing the agent of another! This is what is happening at the ground level. There is no coordination.

Crores of rupees of this country's tax pay-

[Sh Shiva Sharan Sinha]

indigenous business. It had made our country slave after spreading its business through the country we became slave. At that time, a handful of big Maharajas and landlords helped them. Today the Government is welcoming multi-national companies and providing all facilities to them. I would say that the Government is inviting these multinational companies and ultimately, it will ruin domestic business, increase unemployment and cause a great loss to our small scale industries. The public enterprises will also suffer in the same manner. The government has till now kept mum over the Dunkel Proposals. Not only all the experts and economic in India but a large number of people of progressive thoughts have also expressed their view against the Dunkel proposals. Then why the Government of India is keeping mum on this topic? The Government of India should clarify us policy and intention. It should be discussed at length in the House. But keeping silence means its acceptance. It means that the Government is accepting these proposals. Remember that day would be the doom's day for India when the Government accepts Dunkel Proposals. But we will not allow it to do so. The people of the country will not allow it to accept these Dunkel Proposals. Maybe, today you are in power, tomorrow you may have to step down. The people of the country are not ready to tolerate it. The Government is endeavoring to tie us in the chains of slavery. The Government is shattering the dream of self-reliance and Swadeshi of Mahatma Gandhi. God knows to which age you are taking the country to. The Government is ruining the country by taking foreign loan. Till 1992 we have been burdened with a foreign loan of Rs 21/2 lakh crore. We have to pay about Rs 4800 crore as interest every year and that too by taking loan. I would like to ask as to what sort of approach it is of the Government. Long ago there was Rishi Charvak in ancient India. His policy or dicitrn was 'Yavat Jeevet Sukham Jeevet, Rinam Kritva Ghritam Peevet'. Our Dr Manmohan Singh is following his policy word by word. All of us can understand easily as to what

would be its ultimate result

Mr Chairman, Sir the multi-national companies are during such medicines which have been banned in foreign countries and hence ruining our health. Not only this banned insecticides are also being supplied to our country. They are ruining our health and agriculture and yet we claim that we are very progressive and marching ahead in making the country prosper. You cannot cheat the country now. In such a situation any Indian who has love for his country and feeling independence and want to retain his freedom cannot accept it, it will hurt the soul of those people who have scarified their lives for the sake of the country and tolerated tortures for ensuring country's freedom. Had Sardar Bhagat Singh and Chandrasekhar sacrificed their lives to see this day? what was the dream of mahatma Gandhi? You refer to Gandhi time and again and talk of Gandhism. Which policy of Gandhism and Nehruism this Government is following? Today there is no Nehruism no Gandhism only Manmohanism is going on. Shri Manmohan Singh will take the country to ruination. Thus you should be cautious in this regard. All the opposition Members are of the same view and many Members belonging to the ruling party are also of the same view but in the name of party discipline, they cannot speak and vote against their party. Gandhi had said ? that type of discipline was better which led the country towards prosperity and progress. But if it creates hindrance in way of progress it cannot be called discipline. To violate such type of discipline is the real discipline. I would like to urge upon the hon. Member to have introspection and decide what to do for the welfare of our mother-land. We have to get rid of Manmohanism.

Mr Chairman Sir I do not want to go into the details of statistics. The learned speakers who spoke before me have given statistics. But I would like to place the sentiments of the people before you. I have referred to farmers. The farmer has to purchase farming inputs which are essential for him. at higher rates I would like to cite an example in this regard. The multinational

ers are being wasted on the foreign tours of the officials of these agencies, which I know from first hand information.

That is why what is required is, like the standing committee one very ministry, I would like to call for a Standing Committee of Parliament on Intelligence. Maybe, the entire discussion can be in camera. The Intelligence Standing Committees are there in various Houses. So, I request that such a committee be appointed to oversee the intelligence

As far as Defiance is concerned, the false sense of secrecy must be eliminated and we must be more open and what is spent by the Defiance Ministry must be brought to the notice of the public. What is required to be hidden is the strategy, and the plan. What is required to be hidden from the public and kept secret is the factor of surprise and nothing else is required to be hidden from the public, because the enemy knows more than what a Member of Parliament know in this House

So, Mr Chairman, I have placed certain views on the Budget for 1993-94 and the Demands also. I am certain that with the steps that the Government is taking we are in fact, now at a point of time in history after independence where we have taken a definite direction, and a direction towards progress

What is required is that along with the political movement, is required to be generated in the country to take advantage of the programme and plans of the Government. Shmment and there in will lie the future of this country and lie the future of this great nation wherein this national will go to the 21st century, a country which will be second to none

[*Translator*]

SHRI SHIVA SHARAN SINHA (Vashali)  
Mr Chairman, Sir, I would like to say a few words on the Budget in consonance with the feelings of general public of the country. It appears from the

Budget that has been presented that it is against the interests of 90 per cent people of the country. Only handful of big people have welcomed it. It has caused frustration among rest of the people. There is frustration among farmers. The agricultural workers, general public who live below poverty line are all being ruined by this budget when the poor of the country are becoming poorer and the rich are becoming richer, how can the general public welcome such a Budget?

Mr Chairman, Sir, the Budget is proving a great blow to the farmers, laborers and poor. I would like to explain as to how the farmers are being ruined. All the inputs relating to farming have become costly. All varieties of fertilizers have become costly.

The Government and the Minister of Finance had promised alleviation of poverty, removal of unemployment, checking of rising prices as well as paying more attention to rural development and social welfare, education and health, etc. But their announcement for poverty alleviation programme is not holding any good. The poor have become poorer right from first Budget. Instead of the poverty is increasing. How can we trust their words and deeds?

The multi-national companies are coming at the invitation of our government. In such a situation unemployment will increase. The Government may show decline in inflation in terms of percentage on paper but in reality, the poor, general public is suffering from rise in prices. The price rise is ruining them. The Government has not succeeded in any sphere.

All of us know that this Budget will give a fatal blow to self-reliance and feeling of Swadesh. The Government has surrendered itself before multi-national companies, the IMF and the World Bank. The Government is doing all this at their behest. The Government has accepted subjugation of their authority. In such a situation I recall the East India Company. We all know that when East India Company entered India it had ruined our small and cottage industries and

companies sell the seeds of tomatoes at the rate of Rs 16,000 per kg and seeds of onion @ Rs 30,000 per kg. After the purchase, you can grow it but you cannot make seeds through it. Whenever there is a requirement you will have to purchase seeds from the same company. Is it in the interest of farmers? Is it the good the government is doing to farmers? You deliver lengthy lectures, cite statistics and eulogise your scheme formulated for the welfare of farmers and the poor. But we are confronted with such a miserable condition.

Mr Chairman, Sir, since every country takes loan particularly in today's age, we accept that we may take loan or assistance if it is inevitable. But we should take loan at our own conditions and not by mortgaging our sovereignty. There would be no use of taking loan if it is taken by mortgaging our sovereignty.

Dr Manmohan Singh is propounding new theory. He should not be allowed to pursue this path, otherwise, the fate of our country will be doomed. However, we will try our best to save the country from meeting its doom. We will have to wage a struggle to protect the interests of farmers, labourers and common people of the country. If the Government turns a deaf ear to our suggestion and goes on passing the Budget on the basis of its majority, a very critical time and situation will emerge in our country. Whenever the people of the country understand it, it will be very difficult for the Government to survive. Let the vote-issue be abandoned here. I wish that the country should overcome this critical issue and taking into account the honour and glory of the country it should take loans wherever necessary, [English] but not at the cost of our sovereignty, not at the cost of the interests of the Kisan labour and others.

[Translation]

I would like to state that this Budget is not balanced rather it is an imbalanced one. The Government lacks equanimity with regard to the

development of backward States in the country. The intention here appears that the poor are supposed to remain poor and the rich are supposed to remain rich. Similarly it is the desire of the Government that backward States should remain backward.

Bihar is called a backward State. The Government is bent upon ruining it deliberately. The allocation for its Annual Plan is reduced on the pretext that it might have not mobilised resources from its internal sources. When the Government of Bihar mobilises resources from internal sources the Central Government does not approve of it. For example the Central Government has withheld the amount of Rs 754 crore of Bihar Government. The Planning Commission says that because the Government of Bihar has not mobilised its internal resources it is withholding this amount. It means let Bihar remain backward. At present Bihar is facing drought and famine. Taking all aspects into consideration the State Government has given a memorandum in the month of October that it requires Rs 1254 crore to meet the drought and famine situation. I would like to know as to how much amount has been given by the Central Government. The Chief Minister gave memorandum to the hon Prime Minister, the hon Minister of Finance and others but no action has been taken on them till now. Only recently the hon Minister of Finance has provided some assistance. The hon Prime Minister had gone there the day before yesterday and granted Rs 180 crore out of which Rs 175 crore were given for the Jawahar Rozgar Yojana and Rs 5 crore for the alleviation of unemployment. The greatest problem is of drinking water, food-grains and fodder. The amount for the Jawahar Rozgar Yojana will be spent in its own manner so the funds for fodder should have been allocated separately. As against the requirement of Rs 1254 crore only Rs 200 crore have been granted. It is just like a drop in the ocean. It is all being done only with an intention to keep Bihar backward and teach it a lesson for not voting for the Congress there. The allocation to Bihar from the Natural Calamities Funds also has been re-



[Sh Shiva Sharan Sinha]

duced. The Government can suspend the development of Bihar, starve the people and keep them thirsty. The Central Government can do what it likes. We can sustain ourselves by eating grass and remain content with halfed. But we will not tolerate this attitude of the Central Government. The Congress has won only one Parliamentary seat from Bihar but in future it may not win even a single seat from there.

The soil of North Bihar is very fertile. But it has three problems viz, flood, water-logging and want of irrigation. The Gandak and the Kosi Irrigation Scheme was commissioned at the inspiration by Late Shri Jawahar Lal Nehru and the work was started, in the beginning of the Third Five Year Plan, but it was suspended by the Planning Commission at the end of the Sixth Five Year Plan with the promise that it will be started in the next phase. But that next phase is yet to be started. The Gandak Irrigation Scheme has inter-State and inter-national ramifications. It was expected to irrigate 14 lakh hectares of land under this scheme. But it has irrigated 8 lakh hectares of land so far. Today the Eighth-Five year Plan is in operation but there is no mention of this Scheme in it. When we raise questions in this regard, the hon. Minister of Irrigation says that there are no funds. There is no shortage of funds for other States. Thus the Government is neglecting both these Schemes. The lives of nearly 4 crore people in the entire North Bihar are given to be ruined. They are being harassed. By providing irrigation facilities and removing the problem of water-logging in the State, two or three crops can be grown on 9 lakh hectare of land there. If the water is somewhat deep somewhere, we can undertake fisheries there. We can produce at least 30 lakh tonnes of food-grains there very easily, whereas the Government moves heaven and earth to import 10 lakh tonnes of wheat from America. The farmers of our country are ready to produce food grains with their own hands, then why the Government does not complete the incomplete Gandak and Kosi Projects.

SHRI DEVENDRA PRASAD YADAV (Jhanjharpur): Mr. Chairman, Sir, some hon. Members are dozing.

MR. CHAIRMAN (SHRI NITISH KUMAR): Shri Kewal Singh dozing in the House is prohibited.

SHRI SHIVA SHARAN SINHA: I would like to ask the Government and the Planning Commission as to why they have neglected such a big area. If the Government provides facilities for irrigation and water-logging drainage, then we can feed even other States also. Would the Government like to pay attention to it and would the hon. Minister like to say something in his reply in this regard?

Right from the independence of the country, the people of North Bihar have been raising the demand to start a railway line from Hazipur to Mothian via Vaishali, Lalgarh, Sahibganj and Areraj in the North-Eastern zone. Vaishali is the mother of democracy. Several Presidents and great leaders have visited that place. When the common people had presented this demand, they were given assurance. But when we are demanding how it is said that there are no funds available. Money is being spent for the entire country except our State. It is a backward area. All the hon. Members of Parliament from this constituency have demanded this rail line but no attention has been paid so far. This is the height of injustice. This railway line should be laid immediately.

Mr. Chairman, Sir, as regards the construction of a railway bridge on Digha-Pahleja ghat across the river Ganges, the Government of Bihar gave it in writing and a survey was conducted but it is yet to be constructed. With the construction of this bridge, the Eastern Uttar Pradesh and North Bihar will be benefited. But the Central Government seems to avoid any work which can benefit Bihar. Moreover, the Government of Bihar wrote to the Central Government to set up six new sugar mills but that is also lying pending. Recently an hon. Minister

had visited Jahanabad and he said that no proposal from the Government of Bihar was lying pending. How can we say that he is speaking right. But it is a fact that the proposal is lying pending in his office. No attention has been paid to it.

*Mr. Chairman, Sir, the major parts of North Bihar are backward. No new industry is being set up there. Through you, I would like to request the Government not to neglect Bihar in such a manner. Bihar was the front-ranker of freedom struggle and Mahatma Gandhi chose this State as his 'Karmbhoomi'. It is the place where Lord Gautam Buddha had attained enlightenment and Lord Mahavira was born there only. But today that very Bihar is being neglected. It will do good neither to the country nor to the ruling party. I, therefore, would like to request you that the Government should think over the solution of these problems in the interest of the country, Bihar and the people otherwise, the nature of the people of Bihar is well known. The people of Bihar are very firm in their determination. Once they make up their mind, they won't give it up. The Government will have to win their hearts. You cannot get vote by neglecting them. Even your supports will change their loyalty. The bye election is going to be held there. What will happen? I hope that the Government will render its service with selfless feelings. The people of Bihar also pay their taxes and so it is a gross injustice not to spend their money in their interest.*

*Mr. Chairman, Sir, I express my thanks for giving me time to speak here. While expressing my opinion, I am presenting the sentiments of the common people and not my personal ones. The people have been disappointed by the Budget-whether it is the Rail Budget or the General Budget. Bihar has suffered from the Railway Budget also. There is gross disappointment among the people of Bihar. I have said about the General Budget. In such a situation, how will a gentle main, patriot, philanthropist who has a soft corner for socialism and the poor, support it.*

So I request all the hon. Members to disapprove this Budget which is against the common man and is in favour of only rich people and thereby bring the Manmohan era to an end

*[English]*

SHRIMATI PRATIBHA DEVISINGH PATIL (Amravati): Sir, I rise to support the Budget presented by the hon. Minister for Finance.

Sir, President Truman once publicly demanded to have around him Economists with only one hand, as those of their tribe who eternally kept tossing their views first "on the one hand" and then "on the other hand" led themselves and the country into a state of murky morossa! It may well be that in entrusting Dr. Manmohan Singh with the most sensitive and delicate task, the Prime Minister, Shri Narasimha Rao, was having in mind only his impeccable professional credentials as an Economist and obvious sincerity. To his and the country's good fortune, Dr. Singh also turned out to be one who does not fall between two "hands" but has clear and firmly held conviction about his goals and priorities and the unblinking vision and unflinching will to translate them into workable policies and propositions.

Sir, his philosophy is undoubtedly one of speeding up growth to integrate the Indian economy with world economy and enabling India to achieve the stature of a major player on the world stage commensurate with its size, potential and resources.

Sir, if you see the Budget-I will not go into each and every aspect of that - in the Central Plan, there is spectacular rise of 32 per cent viz. from Rs. 48,407 crore in 1992-93 to Rs. 63,936 crore in 1993-94. This has put us in a better shade. Now, the sectors which have been affected are the following. I have heard the remarks made by the earlier speakers. But I would like to bring to your notice that 62 per cent of the outlay that had been allocated is to the rural development. Sixtytwo per cent has been allo-

[Smt. Pratibha Devisingh]

cated to Jawahar Rozgar Yojana. It has a vital bearing on the eradication of poverty and unemployment in this country. The inflation has gone down and it has come to a one digit mark. This is a very congratulating feature so far as this Budget is concerned. However, Sir, surprisingly, I see that the the allocation for family welfare has gone up from Rs. 1000 crore to Rs. 1270 crore only. That means, it has gone up only by paltry figure of 27 per cent compared to the enormity of the problem. For power and road, it is only 22 per cent which is also very less.

Sir, you must be knowing and I think the House also knows about it that we are adding 17 million people every year in our country, which is equal to another Australia. So, a country like Australia is being added in India and we have to make arrangement for all their standard of living and for all the requirements in this country with all the difficulties that we have. Therefore, Sir, I feel that many of our major problems are caused by population explosion which has led to the increase of poverty, hunger, disease, malnutrition, illiteracy, unemployment, pollution, energy and other shortages. So, this is a basic issue which our Budget should have dealt with.

16.00 hrs

I see that there is no reference regarding how are we dealing with this problem of population increase in our country which is very necessary to increase the quality; and that is why the standard of living goes up and the quality of life increases. Therefore, urgent and concerted efforts are required to create consciousness among the people to reduce birth rate to stabilise the population; and they should be supported by the leadership of all concerned.

If we can gain by the experience of China and Singapore, I think this country should try to find out how it has been done. So, here, I would appeal to all the Members of different political parties also that we must cut across party lines

and dealing with this problem of explosion of population should be the first on our national agenda where there should not be any controversy of any political party. I would like to inform you that last year there was a SAARC Conference on the welfare of child in Nepal where some Parliamentarians were there. I was also one of the delegates consisting of three Members of Parliament. Two Members were from Lok Sabha and one was from Rajya Sabha. There was subject regarding welfare of the child. At that time also, the problem of population explosion was discussed; and all the countries unanimously passed a resolution that if we want to have a child welfare, it is also necessary that we must see that the population control is also observed in each country; and all the parties endorsed this view including Pakistan and Bangladesh.

Why is the Budget made? The Budget is not made only for the existing problems regarding giving more houses, giving more facilities and putting up more industries, it is to solve the problems; it may be poverty; it may be unemployment. So, increase of population is one of the major problems of this country, which has not been dealt with fairly in our Budget. I want that the Budget should take care of this also, what is the size of the population and what is the budget allocation we are making for it. Therefore, increase in the population should also be looked upon as a crime against the economic conditions of our country.

I have also introduced as a Private Members Bill in this House. If we get a chance to discuss it in the House, I will put forth my views on that.

Regarding integration of the State Governments with the national economic reform process and the distinct possibility of the Centre and some of the States pulling in opposite directions, the State Governments dragging their feet in the matter of implementing the reforms package is very bad enough; much worse is the damage they are prone to cause by their total

disregard of finance norms, prudence or priority, pervasive corruption, inefficient working of State public undertakings; bloated bureaucracy, and politicking at the cost of people's welfare. Diversion of Central funds to non-development purposes for which they are not meant is a routine matter that we see. The State Governments are diverting the funds given by the Central Government for non-productive purposes. In 1990-91, Haryana budgeted Rs 12 crore for construction of roads and bridges, but could not scrape more than Rs 55 lakh for these purposes when the Central Government had made this allocation.

16.03hrs

[SHRI TARASINGH - *in the Chair*]

West Bengal found the Jawahar Rojgar Yojana funds handy for paying salaries to its employees. So, when the Central Government is making provision for a particular scheme, when it goes to the State, the State is not utilising it but diverting it to some non-productive purposes. What is the Central Government going to do about it? And that should also be one of the precautions that the Central Government should take while allocating this fund.

The Finance Minister has given a very important place to exports to enable our country to manage our balance of payment position so that we are not continuously required to bring our finance from abroad. This he asserted in his speech, is the only meaningful route to self-reliance and he has provided a number of openings and facilities to this end including the unified exchange rate and that of course is there. It is showing its sign of improvement so far as our economy is concerned.

But the exports, if we really go into the details, I have been told that the export potential of this country can touch \$50 billion to \$60 billion per year by the year 2000 against the present \$19 million by fully exploiting its known strength

such as textile, leather, gems and jewellery and other hidden exploited strength of our agro business. These are the spheres where Government of India should press more and more sort of stress to see that textile, leather industry improves, gems and jewellery and agriculture of our country improves so that we can touch even \$50 to 65 billion per year by the year 2000 and this is the potential strength of our country which we can really achieve.

At the present we have fixed up the growth rate as the rate of this by 15 per cent but it should go by 14 per cent. That should be the target of our country to achieve it and if we can really do this I think it would be possible within reasonable limits to achieve this.

There are two points which we should look into so far as these exports are concerned. We have to boost up the selected higher value items and bring the substantial return from them. At present the situation is that there are about 2 lakh exporters, small, medium and large. They are crowding the scene. There is a lot of confusion, quality is not maintained and you see there is no uniformity or any channelised sort of export which is being done. So if the Government of India and its other authorities try to concentrate on this it will be very useful because this is the sphere where the small scale sector is doing bulk of exports. Therefore, if the small scale sector is given more and more help from all sides then that will be able to achieve the desirable goal so far as exports are concerned. But as I said all these sorts of people, small, medium and large scale, creating all sorts of confusion, instead of doing it haphazardly and individually without knowing to go about it, if we can have cooperative federation units or other allied sectors, it will be possible for us to deliver the incentives and serve this purpose in a better way.

So far as the cooperatives are concerned, my colleague did mention about cooperatives, but then I want to mention here that there are about 3,53,00 cooperatives of various types with

[Smt Pratibha Devisingh]

membership of 160 million and the working capital is more than, 700,000 million rupees in the cooperative sector in our country. So in a number of economic spheres cooperatives have acquired a predominant position making themselves as indispensable constituent of the national economy.

A few examples I would like to cite in the sphere of cooperatives in agricultural finance despite the multi agency approach 40 per cent of the distribution is done by these primary cooperatives. The distributions of fertilizer is also done in the cooperative sector.

Sir, the sugar production is 60 per cent in the cooperative field in our country. I know what are the problems faced by the sugar industry in our country. The other day we had a meeting. The Members of Parliament were there. The goal which has been fixed for the country to achieve is 160 lakh tonnes as the target fixed by the Government. It is therefore, necessary to have 30 lakh tonnes additional production. But if that has to be so then you will have to give institutional finance to the new sugar factories which are at a standstill for the last three years. Government has given licences, they have raised their share capital, the State Government has given the contribution some of them had given order for the machinery, one instalment has also been paid and now they are being strangled for want of finance.

The other day we had a meeting. They say that for about 60 or 70 sugar factories, the institutional finance will be needed about Rs 2,000 crores.

They have been able to make a provision for only Rs 250 crores. I like to mention here that the sugar industry has earned a name for India in the world. It is one of the leading industries in the world, it has an export potential and an industrial base. This is an industry which is agro-based where a farmer with two acres of

land becomes the owner of a sugar factory. He is integrated with the network of the rural industrialisation of this country and I do not know why attention is, to that extent, not being paid to this industry.

Similarly, there are many industries like dairy industry, housing, fisheries, consumers, textiles, public distribution and the cooperatives have made a significant contribution so far as these fields are concerned.

Despite these concrete contributions to the national economy the cooperatives have escaped the attention of the Planning Commission for the specific terms in relation to the development perspectives under in the Eight Five Year Plan document. In the previous Five Year Plan documents, the cooperative sector used to have a separate chapter. But this time there is no mention so far as the cooperative movement in this country is concerned. Even in the Budget presented by the hon. Finance Minister I do not think that there is any mention so far as the cooperative sector is concerned.

Rs 5700 crore has been provided for rehabilitation of nationalised commercial banks. Cooperative credit institutions continue to suffer on account of non-release of funds due to them under the agricultural rural debt relief scheme. This is another example of lack of appreciation of the problems of the cooperative movement in our country.

There are other problems which continue to affect cooperative sector like excessive governmental control, rigid and restrictive cooperative legislation, absence of professional management and alienation of membership. In spite of initiatives and pleadings of Government of India for adoption of model cooperative laws, the State Governments continue to have an indifferent attitude towards democratisation of cooperative laws and regulations.

I remember, along with others, I happened to be a Director of the National Federation of

Organised cooperative banks and credit societies and the Directors and some Members of Parliament had gone and waited on the Minister of Finance, Dr. Manmohan Singh. He did listen very carefully to what we had to say, but in spite of the constant pleading and a clear assurance for not taking any governmental or financial assistance, the proposal for establishing a National Cooperative Bank of India to bridge the systematic gap within the cooperative sector is managing with the Ministry of Finance. Such a sort of approach does not go well with the ethos of the new economic reforms.

So far as taxation is concerned, the Chellaiah Committee recommendations will be implemented and this has been mentioned by the Minister of Finance in his Budget Speech. The recommendations are more private sector industry-oriented and do not give due weightage to the interests of the cooperatives.

The Chellaiah Committee has more or less shattered the concept of mutuality and nature of cooperative operations for bringing the surplus of cooperatives in the net of taxation laws. I like to plead with the Government of India that before formulating any proposal for taxation on cooperatives, cooperative sector should be consulted and it should not be neglected.

I like to again emphasise on the point that the system of cooperation, that this sector is based on human values, democracy, equality and equity which are so vital to the nation's strength.

A strong, vital and self-reliant cooperative movement therefore becomes a *sine qua non* for a strong nation.

I remember that another hon. Member mentioned about the cooperative agricultural farming which is also very important so far as agriculture in this country is concerned. You may have it in cooperative sector or you may have it in joint sector also. We have distributed lands under the Tenancy Act, two acres, three

acres, five acres to different farmers which is not really a viable proposition. So far as farming goes. After giving the land to those people who had nothing to sow, who had not to put any inputs in that land, it has remained barren.

There was one other mention regarding the Cooperative Agri Business Consortium. It was also mentioned by the Minister for Finance in his speech that for the small farmers there will be such consortium. I would like to mention to the Minister that if you really want to make it very productive it is necessary that we will have to bring in very radical change so far as farming of this country is concerned. I do not know what has happened to this Agri Business Consortium. I am told that this file is tossing between one Ministry and the other Ministry. There is lack of coordination between the Ministries, which is the first thing that we have to have. How are we going to improve our administration also? That is also very moot point because after increasing the outlays to such a big amount, it is the same machinery, through which we are going to implement the schemes and if the same machinery is not improved, not strengthened, lacunae are not removed. I do not know how are we going to implement all these and how are we going to bring success so far as implementation of different schemes are concerned.

Sir, last but not the least is the Industrial Policy Liberalisation. Of course we do welcome that. But at the same time I would like to say that so far as industrial development of this country is concerned, we must also see that the finance effort, labour and entrepreneurship put by the indigenous industrialists for many years are not swayed away because the new investors will be storming with their fat money bag whatever had been done by the previous people should not be completely dislodged. We will also have to see that the indigenous industrialists who had done a lot for industrialisation of this country do not suffer because of this new policy.

There is one industry regarding which there is some change in the price. Take PVC.

[Smt Pratibha Devisingh]

rasin. The basic price was formerly Rs 25 per kg and now after the Budget it is Rs 26 per kg. The rate of excise, which was at Rs 46, is now Rs 35. But ultimately, it has helped the large industries. The small industries use this project as their raw material. For them, the basic price was Rs 56.28 and it is same after the Budget also. But so far as the rate of excise is concerned, from 17.25 per cent it has been increased to 20 per cent. Now they will have to purchase the raw material at a higher price and these are all small industries. So, that should also be neglected.

As we have a Sub-Committee on Industries, we will be putting forth our views there. This is only one example.

I think you for giving me this opportunity to speak.

16.19hrs

## STATEMENTS BY MINISTERS

**(ii) Crash of Indian Airlines Flight I C 491 at Aurangabad**

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI RAJESH PILOT) Sir, with a very heavy heart I have to share a very sad information in the House that to day at 13.05 hours Flight I C 491 crashed immediately after taken out from Aurangabad. It is the Flight which goes Delhi-Jaipur-Udaipur-Aurangabad-Bombay. After took off within few minutes the preliminary report says that one of the engines reported to have caught fire and it turned back, tried to land and crashed. As per the information available now six crew members and 12 passengers reported alive and other casualties are in the operation of recovery. The information at 14.40 hours was that at least 40 people have died. (Interruptions)

[Translation]

SHRI MADAN LAL KHURANA (South Delhi) The figure that has come on the teleprinter is 112, the newsmen already know it. (Interruptions) How serious you are. (Interruptions)

SHRI RAJESH PILOT Six crew members and 12 passengers are alive. (Interruptions)

DR S P YADAV (Sambhal) Please do not mislead the House. (Interruptions)

[English]

SHRI RAJESH PILOT I have to share the information which is available to me through the sources of the Government. (Interruptions)

The Indian Airlines Plane carrying 112 passengers crashes. But, my information is different. I am saying that it was carrying 112 passengers plus 6 crew. Out of them crew has survived and 12 passengers also have also seen surviving. But in the meantime the recovery is going on and the body which has been recovered from the fire is 40. So other operation is going on. We have got to see how many of them have survived and how many died. There is no controversy on it. Whatever information I am getting I am sharing with the House. (Interruptions)

[Translation]

SHRI TEJSINGHRAO BHONSLE (Ramtek) How many of them were foreign tourists? (Interruptions)

SHRI RAJESH PILOT I do not have details in this regard right now and when details come I shall keep the House informed about it. (Interruptions)

[English]

The Minister of Civil Aviation and Tourism