

of India proposes to set up a university for fisheries during the Seventh Plan period. The location of the university has not yet been determined. Vizhinjam in Kerala is an ideal place for the establishment of the university for fisheries. The construction of a fishing harbour is already going on in Vizhinjam. There had been an Institute of Nautical Studies functioning at Vizhinjam. Vizhinjam is having a very good sea-shore. There is an agricultural college and Vellayani lake in the nearby place of Vizhinjam. Apart from that, Kerala has the highest population of fishermen in the country. A number of Central Institutes, such as Central Marine Fisheries Research Institute, Central Institute of Fisheries, Nautical and Engineering Training Institute, Central Institute of Fisheries Technology, Integrated Fisheries Project and Exploratory, Fisheries Project are located in Kerala. There is tremendous potential for development of off-shore fishing as well as brackish water fish culture in Kerala. The State Government have also pioneered several new ventures such as the Shrimp Hatchery at Azhikode and the Seed Farm at Malampuzha. The State Government have also set up five fishermen training centres. Under these circumstances, it is only suitable to establish the proposed university for fisheries at Vizhinjam, Kerala. So, I urge upon the Government of India to proceed with this suggestion.

SHRI MALLIKARJUN : I am thankful to the hon. Members for reference to various matters to be included in the Government business for next week. But it is not possible. As has been decided by the BAC, only Government business will be taken up next week. If any member so desires, he can raise it in the BAC through the representative of his Party so that it can be considered by the BAC.

14.41 hrs

GENERAL BUDGET, 1984-85 —
GENERAL DISCUSSION

MR. DEPUTY-SPEAKER : We will now take up general discussion on the general budget, for which 15 hours have been

allotted. Shri Sunil Maitra will initiate the discussion. His party has ten minutes less than one hour.

SHRI SUNIL MAITRA (Calcutta North East) : Mr. Deputy-Speaker, Sir, the speech of the Finance Minister, containing the budget proposals, was a smooth piece of talk with, of course, facile conclusions. As a matter of fact, it seems to be an equally smooth walk over the carpeted floor, and the carpet almost looked like a Persian carpet. But when one removes the carpet and sees beneath it, then one finds that dirt and filth have been swept beneath the carpet. What are the dirt and filth, let me try to unravel one by one.

For example, take agriculture. The Finance Minister says on agriculture :

“The agricultural production as a whole is likely to increase by 9 per cent over the previous year. Hon. Members well agree that this is convincing testimony of the soundness of our agricultural strategy.”

At the outset, let me inform the hon. Minister that I do not agree with him. He is making this statement and this claim because this year the food production reached the all time high of 142 million tonnes. But if we examine the food production over a period of say, 10, 15 or 20 years, then only the full picture will emerge before the country. Now if we make a graph of the agricultural production in this country, it suddenly rises and then equally suddenly drops down. So, when the hon. Minister makes a claim that the policy of the Government successfully proves the soundness of the agricultural strategy, let us try to examine the actual food production since they come to power in 1980. The average food production between 1980 and 1984 was 133.29 million tonnes. If you take the average of the decade, between 1974-75 and 1983-84, it is still less, it is 123.32 million tonnes. THE WORLD DEVELOPMENT REPORT, 1983, published by the World Bank has tried to examine the agricultural growth in India and it has this to say :

"In the decade between 1960-70 agricultural growth in our country has registered an increase of 1.9 per cent."

Between 1970-81 i.e. in the next decade, the growth of Indian agriculture was again 1.9 per cent. That means between 1960 and 1981, the growth in agricultural production was stagnant at 1.9 per cent. Because you have produced 142 million tonnes of food-grains this year, from this fact you cannot conclude that your strategy - if at all you had any strategy - has proved that it was successful or that it is convincing enough. If in the course of the last twenty years your agricultural growth standing at 1.9 per cent, what is the significance of your strategy? And see what was your strategy then and what is now? You are boasting about the soundness of your strategy.

Then again if you see the daily per capita availability of cereals and pulses, between 1961-70 it was 447.56 grams; between 1971-80 it was reduced to 442.22 grams and in your period i.e. between 1980 and 1984 it has still gone down to 437.02 grams. Therefore, with this decreasing curve, I don't know how the Finance Minister considers himself to be able enough to make the claim that really their agricultural strategy has succeeded. Actually it was no strategy. Everywhere it was a strategy of improvisation. You tried to improvise as and when a situation developed; and somehow or other you tried to tackle the situation that emerged year by year. Therefore, there was no strategy. And if there was any, it met with complete failure.

Actually why our agriculture production and our food production is at a stagnant pace? You see the basic thing for the agricultural growth as we have been maintaining in the House for the last so many years, is land reforms. Unless and until you go in for these land reforms, it will not be possible for you to increase the production,

Secondly your entire agricultural production is operating within the framework of the market economy. What is the

incentive? If you really believe in market economy, then go the whole hog for the market economy. There should be some incentive for the producers to produce. For example the present support price of the wheat between 1980-81 and 1984-85 registered 29.9 per cent increase i.e. from Rs. 117 per quintal to Rs. 152 per quintal. But how has the cost of inputs gone up? The fertiliser price between 1980-84 has gone up by 48 per cent; the diesel price in the same period has gone up by more than 200 per cent and the seed price have also increased. So, whereas the cost of inputs has gone up tremendously your offer for increase in the support price in the surplus agricultural commodities that are marketed is only 29.9 per cent. This being so, there is no incentive for the agriculturists to produce. So, if you really want to operate within the framework of the market economy, you must give some incentive to the producers. And only then it will be possible for you to go in for the increase in the agricultural production.

Then coming to the question of industry, the Finance Minister has claimed on page 2 of his speech that for the four-year period after 1979-80, the industrial growth will average slightly more than five per cent. Even 5 per cent is a niggardly increase according to his own admission, compared to the targeted annual production of 8 per cent in the Sixth Five-Year Plan. If you today claim that the average was 5 per cent in the four-year period, this is no achievement at all. I am going to examine whether even this claim is correct. This claim is also not correct. How do you calculate that it is slightly more than 5 per cent?

Sir, I have got this ECONOMIC SURVEY of the previous years 1981-82 and 1982-83. There you will find that industrial production has been calculated on the basis of calendar year and suddenly this year even without notifying any one the method of calculation was changed. Even the ECONOMIC SURVEY does not say that the method of calculation was changed from calendar year to fiscal year. When I was going through the ECONOMIC SURVEY, it was irritating.

I made some calculations. If we take the growth of the last four years as per the calendar year, it comes to 4.6 per cent and if you take the growth on the basis of the fiscal year, it comes to 5.2 per cent. Therefore, how should we describe it? Is it only because to enable the Finance Minister to make the claim on the floor of the House that the rate of industrial production was more than 5 per cent, the basis was changed from calendar year to fiscal year? Even then, this so-called achievement must be viewed against the target set in the Sixth Plan, a target of 8 per cent. Even there, they have failed, but the changeover from calendar year to fiscal year, I am sorry to say, is another example of manipulative politics and manipulation of the statistical data in order to arrive at the conclusion which the Finance Minister came to and wanted the country to believe.

MR. DEPUTY-SPEAKER : Did you calculate for fiscal year and calendar year?

SHRI SUNIL MAITRA : Yes, I have calculated. Let them say, my calculation is wrong.

Take, for example, the press release of the P.I.B. released by the hon. Minister of Industry, Mr. Tiwari. It was released on January 19, 1984. Here, Mr. Tiwari claims that during October 1983, the index of industrial production has shown a growth of 7 per cent as compared to the corresponding month of the previous year, i.e., October 1982 and October 1983—if you compare these two figures, the growth is 7 per cent.

I can give you another figure. I take the figure of December 1982 and I take the figure of December 1983. The rate of growth of industrial production comes down to 3.9 per cent. Therefore, why are you playing with figures? Why is this jugglery with figures? You take out some date in the previous year, some month in the previous year and then you take the corresponding month and then you go on calculating. Whichever figure suits you, you take up that figure and dole it out to the Parliament and through the Parliament and through the press to the people of this country and say, 'Look here,

how wonderfully we have performed.' As a matter of fact, your performance was very shoddy.

SHRI RAM PYARE PANIKA (Roberts-ganj) : Mr Deputy-Speaker, Sir, our Finance Minister.....

(Interruptions)

MR. DEPUTY-SPEAKER : The Finance Minister will reply, Mr. Panika.

(Interruptions)

SHRI SUNIL MAITRA : This is our industrial production.....

(Interruptions)

SHRI RAM PYARE PANIKA : He is now manipulating to show...*(Interruptions)*. The Finance Minister has brought the correct picture in the House.

SHRI SUNIL MAITRA : I am not yielding.

MR. DEPUTY-SPEAKER : He is not yielding.

(Interruptions)

SHRI SUNIL MAITRA : They Finance Minister is capable enough to defend himself. He does not need your help.

MR. DEPUTY-SPEAKER : The will always provoke you, you should not get provoked.

(Interruptions)

MR. DEPUTY-SPEAKER : Don't get provoked

SHRI SUNIL MAITRA : Sir, my time is running out and so many points are there.

Again, let us go back to the World Development Report 1983, published by the World Bank.

If you take the span of 20 years from 1960, between, 1960 and 1970 the rate of industrial growth in our country was 5.4%, between 1970-81 i.e. in the next decade the World Bank says it had gone down from 5.4% in the Previous decade to 4.4% in the decade 1970-81. This is another achievement of this Government of which, I think, they feel very Proud.

What is the condition actually of a very vital Portion of our industrial Production with which the ordinary people of this country are vitally concerned, i.e. the production of consumer goods industries? Here the Reserve Bank of India bulletin of October, 1983. In March 1983 the consumer goods industries production was 170.3; April 169.6, May 156.4, June 151.5 and in July 146.5. This is the interest figure available so far as the Reserve Bank of India Bulletin is concerned. So far as the consumption goods production this year is concerned, the production is going down and it is bound to have effect on prices. therefore, the claim that the industrial production has gone up or is going up, is not correct. What is the reason? One of the reasons is demand recession, People do not have the Purchasing Power to Purchase goods and commodities. There is demand recession in the market, and therefore, the Production is also going down.

If you take study of the Reserve Bank of India into consideration as published by the Economic Times dated 11th September, 1983 the Reserve Bank of India says that of 28350 factories/industries closed in June 1972, 23% factories were closed down because of the demand recession. We call it market recession. Therefore, one of the reasons for the slower growth in our industrial production is market recession.

Another thing which has been discussed in this House and over which I am not going to dilate is the import liberalisation. Multi-nationals are dumping their goods in the market. Production of our industries is being curtailed and our industries are being forced to close down.

The second thing is the concession given to MRTP and multi-national concerns. The

result is that they are driving out the small and medium size industries.

If you take into account the increase in total assets of 100 giants in the private corporate sector, then only you will realise the seriousness of the situation. The Business Standard brought out this data that total assets of top 100 industrial giants in 1980-81 was Rs. 9150, 99,00,000. In 1981-82 it has gone up to Rs. 11345,45,00,000.

15.00 hrs.

That means, in a matter of one year the total assets of the 100 top industrial, joint-ventures went up by more than Rs. 2000 crores. This only focusses light on one aspect of the matter that because of the concessions giving to these MRTP companies and these multi-nationals, they are squeezing small business and small industry and the medium industry out of the market. Then, Sir, another disturbing feature has emerged in the industrial scene of our country. Deliberate attempts are being made today to inject foreign equity capital in purely Indian industries. Take for example, the question of Escorts and DCM. Very recently, the Government of India last year formulated the policy of investment from non-resident Indians. Now, the Caparo group of companies ALIAS Mr. Swraj Paul invested in DCM and Escorts. How do you characterise the capital that is emanating from Caparo group of companies of Mr. Swraj Paul? Is it Indian capital? The fellow who lived in this country goes abroad and denounces the Indian citizenship for a morsel of sterling or pound. Can you call him Indian? May-be you call them non-resident Indians. But they are not Indians. But you are inviting their money to invest and to inject this money into the equity capital of purely Indian companies. When Escorts resisted it, the Government of India, through the Life Insurance Corporation of India has intervened. You thought it fit to intervene. You see, 52% of the total companies were becoming sick. It is not my report. Out of the total companies that have fallen sick in this country, the Reserve Bank of India says, 52% of these companies have gone

sick because of management including mismanagement, including diversion of funds, in fighting, lack of marketing strategy and so on and so forth.

When these companies are falling sick, the Government did not think it necessary to intervene. I am giving you one example. There is a factory in Calcutta called Steel and Allied Products in which the overwhelming majority of the equity is held by the financial institutions of the Government of India. I wrote as many as three letters to the distinguished predecessor of the present Finance Minister to do something about this Steel and Allied Products of Calcutta. About Rs. 12 crores have been loaned to this company. With industry after industry falling sick and a thousands of workers going out of employment, the Government did not think it necessary to intervene. But in the case of Escorts where Caparo group of companies' money was involved, the Government thought it necessary, thought it prudent to intervene. Can you reconcile the two stands of the Government?

At the same time, when we, specially from the Left, say something about the workers' strike, about their agitation and other things, immediately pat comes the reply from the other side that because of you, they are sick. Mr. Daga is perhaps nodding his head agreeing to my point.

MR. DEPUTY SPEAKER : I think, most probably, he also belongs to the Left but sitting on the Right.

SHRI SUNIL MAITRA : May I tell you for your information that the Reserve Bank of India study says that only 2% of all the industries that have been closed down are accounted for due to labour trouble and 98% of the factories or industries that have been closed down was because of mismanagement or other reasons? Then, what is the remedy?

In order to boost the industrial growth in this country, the SINE QUA NON is the expansion of the internal market. The expansion of the internal market is not possible unless and until you inject purchasing capacity in the hands of 70 per cent

of the people of this country who belong to the rural areas, those who are peasants, and you cannot increase the purchasing capacity of the peasants, unless and until you go in for drastic land reforms which is in the 20-point programme. It was there during the Emergency; it is there now also. But it has been relegated to the last position. The State Governments, excepting a very few, are really not interested in land reforms. They say that they are equally interested in land reforms and it is in their 20-point programme also.

Now, if really they are serious, would they care to reply to one point? The West Bengal Assembly passed the two land reforms Bills in the year 1981. One was the land Acquisition (West Bengal) Amendment Bill, 1981. I am reading from the reply given to an Unstarred Question No. 422 in the Rajya Sabha on 1st March, 1984. The Bill was received by the Centre on 21st May, 1981 and they say that the Bill is under the consideration of the Union Government. For more than 3 years, the Bill is under the consideration of the Central Government. They could not persuade the President of India to give his assent to the Bill. The other Bill, the West Bengal land Reforms Amendment Bill, 1981, was received by the Centre on 1st July, 1981 and, on 25th January, 1984, suddenly the Government of India, the Central Government, woke up and made some queries to the Government of West Bengal. So far as land reforms are concerned, in order to increase the purchasing capacity of 70 per cent of the prospective purchasers in our own home market, nothing is done. And they say that they are serious about land reforms. Therefore, today, the industries are in recession.

Then, coming to the question of inflation, of course, I must admit that the Finance Minister in his speech has shown some anxiety over inflation. But what is actually the position now? He has taken the credit that, during the Janata time, there was 21 per cent and it was brought down to 16 per cent; then, it was brought down to 6 per cent; further, it was brought down to 2 per cent and now it has again risen to 10 per cent. Will you

please tell the country that when you brought down inflation from 21 per cent to 16 per cent, actually it was 37 per cent rise; when you again brought it down to 6 per cent, it was 43 per cent rise; when it was brought down to 2 per cent, it was 45 per cent rise over 1978-79 and, when again it has gone upto more than 10 per cent, it is 55 per cent rise over 1978-79. You say that you have brought down the rate of inflation from 21 per cent to 16 per cent as if it means that actually the prices have come down. This is an impression which is sought to be created on the people of this country. But actually it was 16 per cent above 21 per cent; it was 6 per cent above 16 per cent; it was 2 per cent above 16 per cent and now 10 per cent above 2 per cent. Therefore, not only you have failed to curb inflation but the fire of inflation is rising notwithstanding your claim that you have taken remedial measures.

The remedial measures taken were that the cash reserve ratio was increased from 7 per cent to 9 per cent in three stages, that is, you cut the Plan at the end of the fiscal year by 3 per cent; you cut down the non-Plan expenditure by 5 per cent and you stopped the recruitment of the people. And still today you have not paid five instalments of D.A. that are Payable to the Central Government employees.

Notwithstanding all these measures, today the rate of inflation is more than 10% and it seems that nothing is going to stop the inflation. What is the reason? Apart from your taxation policy, excise duty, customs duty, apart from your policy, of allowing the monopolists to reap enormous profits by jacking up the prices, apart from your policy of deficit financing, very recently specially after you came back to power, you have injected another policy, the policy of increasing administered prices. What is the extent of this increase in administered prices?

On petroleum and petroleum products, you levied as much as Rs. 5,500 crores between 1980 and 1983 on the people in addition to what the people were paying earlier to that.

Railway fares have increased. There is an increase in freight rates by.

Rs. 130.91 crores in 1980-81

Rs. 286.22 crores in 1981-82

Rs. 88.85 crores in 1982-83 and

Rs. 310 crores in 1983-84.

bringing the increase to a total of Rs. 815.98 crores.

Even after 1983-84, you think that prices have not gone up. Even after this much increase in prices, if you give lecture here and if you insist in your speech that it will be possible for the Government to control the prices, there is no fool and no stupid person in this country who is going to believe that really the prices can be controlled if the Government goes on behaving in this way.

There is also rise in the prices of coal. In 1980, one metric tonne of coal at pit head was costing Rs. 101.18. I am taking 1980 because, after you have come to power again, what have you done to economy? Coal prices have gone from Rs. 101.18 in 1980 to

Rs. 128.02 on 14-2-81

Rs. 145.90 on 27-5-82

Rs. 183.00 on 9-1-84 that is 25% increase in one jump.

You increased the support price of paddy by Rs. 10/-. At the same time, you increased the support price of rice by Rs. 20/- per quintal. If 1.5 quintals of paddy is equal to one quintal of rice, then the increase should have been Rs. 15/-. Instead, now it has been Rs. 20/-. Every time, the issue price is raised, it is raised on this basis.

Therefore, there is no wonder that the prices are rising and this Government is unable to arrest this trend of rising prices.

I will come to the most vocal part and really the Finance Minister becomes very vocal regarding the balance of payment position.

The Finance Minister says :

“In my Budget speech last year, I have informed the House of the improvement that had taken place in our balance of payments in 1982-83. I am happy to say that this improvement has gained strength in 1983-84. The trade gap had declined from Rs. 5,800 crores in 1981-82 to about Rs. 5,500 crores in 1982-83 and is expected to decline further in the current year. Our foreign exchange reserve inclusive of IMF drawings have increased by Rs. 662 crores in the current financial year up to 10th February.”

Impression is sought to be created that the balance of payment position is very happy and because it is very happy subsequently the Finance Minister came to certain conclusions and on the basis of that conclusion, the Finance Minister has already acted. To that I will come later. Apparently the picture seems to be very rosy. But in reality is it so? What was the deficit in your balance of trade in the last four years? In 1980-81 it was Rs. 5,813 crores; in 1981-82 it was Rs. 5,868 crores; in 1982-83 it was Rs. 5,467 crores; and in 1983-84 it is to be a little more than Rs. 5,000 but less than what it was in 1982-83; that is the claim of the Finance Minister.

The crude that we exported in 1982-83 was 4.3 million tonnes and in 1983-84 we exported 6.4 million tonnes. Import of crude in 1982-83 was 16.9 million tonnes and in 1983-84 it was 16.3 million tonnes. But import of petroleum products has gone up : in 1982-83 it was 5.02 million tonnes and in 1983-84 it was 5.2 million tonnes.

It is because of increase in the production of crude and because of increased export of crude that today you are in a position to manage your balance of payments position. But at the same time I am putting this question to the House and the House should very seriously ponder over this question. Petroleum is a non-renewable energy and today the way you have been exporting petroleum, such reckless export of petroleum, is it really in the interest of the health of our economy? If it is non-rene-

wable, then at the speed at which you go on exporting year crude, very soon your entire stock will be exhausted. When the entire world is trying to preserve its stock, preserve its mineral wealth—it is a very rare commodity which they are trying to preserve, here India presents a different picture. The picture is that recklessly we are exporting our crude in order to earn foreign exchange so that we can show to the people of this country that our balance of payment position is very happy. Very frequently, whenever this question is raised, it is said that we are exporting crude because we cannot refine the Bombay High oil here in this country, we do not have the refineries for that. In 1976-77 you started exploring Bombay High and also started exporting. From 1976-77 till today, 1984, that is, in the last seven or eight years' time it was not possible for you to construct refineries which would be able to handle the Bombay High crude, so that we do not have to import petroleum. But to what extent have you cut the import of petroleum? Compared to 1982-83, in 1983-84 you were able to reduce the import of petroleum only to the extent of 0.6 million tonnes, that is, six lakh tonnes you imported less than what you imported in 1982-83. Therefore, in such a situation, I think, it is not only inadvisable but they are doing a definite disservice to the country by so recklessly exporting the crude in order to earn foreign exchange, just to present a picture of a comfortable balance of payments position.

Again, it is being said that our export performance this year will be better than that of last year and that the last year was better than the year before last. In 1981-82 the total value of exports was Rs. 7,803 crores and in 1982-83 it was Rs. 8,814 crores. Of that, in 1981-82, petroleum crude amounted to Rs. 196 crores and in 1982-83 Rs. 1,152 crores. If you take out the export of crude, that is, if you take out Rs. 1,152 crores out of Rs. 8,814 crores which is the total value of the goods and commodities exported, actually the rise in exports in 1982-83 compared to 1981-82 was only 0.72% or not more than 1%. This 13% is only illusory as much as 12% is accounted for by the exports of crude. If you take a similar view, this year that is in 1983-84 and if you take out the

crude in the economy, then more or less I am certain that the growth in our export trade will be more or less of the same order. It may be a growth of 1% or 1.5% and not beyond that. You call it a happy position? When desperately you are trying for exports and all around the world excepting the socialist countries you are coming up with stumbling blocks because of their protectionist policies, because of their extremely high commodity prices, because of their comfortable economic position and because of their economic might, it is next to impossible for you to go on increasing exports to any substantial extent. If that be so, then on what basis to-day when your balance of trade deficit is hovering around Rs. 5000 crores you say that your balance of payments position is very happy? Out of petroleum you save Rs. 1000 crores. Then from deposits of non-resident Indians in 9 months you got Rs. 800 crores and I think in a full year it will be a little more than Rs. 1000 crores. But with 13% interest, after 6 years when you go to repay them, it will be more than Rs. 2000 crores. Can you afford to do it? And basing yourself on this assessment that your foreign exchange reserves were good and that your balance of payments position is so comfortable, you have come to the conclusion and announced to this House that you do not intend to take the remaining Rs. 1.1 billion SDRs from the International Monetary Fund. Here also it seems to be a little bit fishy.....

MR. DEPUTY SPEAKER: You have to conclude by 3.34 p.m.

SHRI SUNIL MAITRA: On 8th June 1983 the Finance Minister gave an interview to the ECONOMIC TIMES. The ECONOMIC TIMES correspondent asked him, 'Are you going in for the third IMF loan programme?' Mr. Mukherjee: 'An IMF team came and we had consultations with them. I can simply say that I am going for the third tranche'. This is what the Finance Minister is reported to have said to the Economic Times that the third instalment was going to be taken. Then on 11th July, talking to the Press Club of India, the Finance Minister said, 'Instead of 1.5 billion SDRs I am going to take 1.2 billion SDRs.' On 8th June, he says that he was going in for the full third instalment of IMF loan and on 11th

July he tells the Press Club of India, 'No, instead of 1.5 billion SDRs I am going to take 1.2 billion SDRs.' Then on 15th January 1984 the Prime Minister declares that India would/forgo 1.1 billion SDRs of IMF loan. Naturally, the question arises as to what happened between 8th June 1983 and 15th January 1984, which ultimately led to the Prime Minister to declare that 'I am not going in for 1.1 billion dollar residuary of the loan' Something must have happened to which the hon. Finance Minister has already eluded.

MR. DEPUTY-SPEAKER: The financial position should have been better.

SHRI SUNIL MAITRA: The Finance Minister has already eluded that something of a very important event was going to happen towards the end of this year. Was it because of this important event that was going to happen that you retraced the step? The Finance Minister has already confessed to THE TIMES that the World Bank and the IMF Teams have already come. In June last year, he was already discussing with the World Bank and IMF teams; if I infer like, that, was I wrong the IMF, in the discussion, was demanding of the Finance Minister that the subsidies should be cut; that there should be more and more liberalisation of imports; that wages of the workers should be attacked? Because of these considerations ultimately, you said that 'we are not going in for this 1.1 billion dollar of the third tranche of the IMF Loan'. Sir, my suspicion becomes all the more wellfounded when I had the occasion to read the speech of the Finance Minister after declaring that 'we are no' going in for this 1.1 billion dollar IMF Loan, the Finance Minister said that:

'I must also take this opportunity to express our appreciation in for the goodwill and mutual understanding that has marked our relationship with the IMF during the entire period of the E. F. F. arrangement.'

All this is a complement given to the IMF. All this goody-goody language simply has not ticked; when we read the language of the Prime Minister when she addressed the Non-aligned Summit in Delhi

she virulently made an attack against the very same IMF; the IMF are squeezing and twisting the arms of the third world countries. On the one hand she was roaring against IMF and all its dealings and conditionality, on the other hand, the Finance Minister is saying that:

“Our relationship with the IMF for the extended fund facilities for a period of three years had been very cordial.”

Is it because you want to keep the door open so that after that great event has happened if it is in your luck to come back and sit there, you can again call these people and you can open the door again so that you can re-negotiate the loan and then go in for the next trache of the IMF loan?

MR. DEPUTY-SPEAKER : You have to conclude.

SHRI SUNIL MAITRA : I need some more time.

There is every reason to feel that there is other consideration. What really prompted them to forego the loan? You said that the balance of payment position was very happy. Let me quote what the Deputy Governor said on the 10th February. This is the month of March. Barely a month back, the Reserve Bank held a Seminar on exports in Calcutta. I am quoting from the ECONOMIC TIMES, dated 12th February, 1984. The Reserve Bank Deputy Governor Shri A. Ghosh, said here yesterday that the decision not to draw the full amount of IMF loan was taken because of the comfortable position but in view of the difficulties that the country would face, ...it would find it hard to meet its repayment obligations. This is the version of a Deputy Governor of the Reserve Bank of India. It was not because their balance of payment position was happy, that they were foregoing the loan. It was because of the serious difficulty that they foresaw at the time of repayment. Therefore, you did not go in for the loan.

Therefore, why try to paint a picture as if everything was very fine?

MR. DEPUTY-SPEAKER : If you cannot conclude immediately. Mr. Maitra and if you want to continue next time and if you want some more time, then, you can speak on the next day.

SHRI SUNIL MAITRA : Yes, Sir.

MR. DEPUTY-SPEAKER : Then you can speak on the next day.

THE DEPUTY MINISTER IN THE DEPARTMENT OF SPORTS, IN THE MINISTRY OF WORKS AND HOUSING AND IN THE DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI MALLIKARJUN) : Sir, he has already taken so much time.

MR. DEPUTY SPEAKER : That is what I am telling him. He can take only that much time that is allotted to his party. After all, he can take only 5 more minutes or so. Now we go to the next item.

15.31 hrs.

REGIONAL RURAL BANKS (AMENDMENT) BILL*

[Amendment of section B. etc.]

श्री अनवार अहमद : उपाध्यक्ष महोदय, मैं प्रस्ताव करता हूँ कि प्रादेशिक ग्रामीण बैंक अधिनियम, 1976 में और संशोधन करने हेतु विधेयक को पुरःस्थापित करने की अनुमति दी जाय।

MR. DEPUTY-SPEAKER : The question is :

“That leave be granted to introduce a Bill further to amend the Regional Rural Bank Act, 1976.

The motion was adopted.

श्री अनवार अहमद : मैं विधेयक को पुरःस्थापित करता हूँ।