

MR. SPEAKER: Order, order. He has become important and so Parliament must give attention to him? (Interruptions.) Shri Desai.

mentary Demands for Grants in respect of the State of West Bengal for 1967-68.

श्री मोल्हू प्रसाद (बांसगांव) : अध्यक्ष महोदय, मेरा एक व्यवस्था का प्रश्न है नियम 357 के अधीन।

12.29 Hrs.

PAPERS LAID ON THE TABLE

AUDIT REPORT (RAILWAYS) ETC.

THE DEPUTY PRIME MINISTER AND FINANCE MINISTER (SHRI MORARJI DESAI) : I beg to lay on the Table a copy each of the following papers :—

MR. SPEAKER: Shri Morarji Desai.

SHRI MORARJI DESAI: Sir, ...

- (1) Audit Report, Railways, 1968, under article 151(1) of the Constitution. [Placed in Library. See No. LT-438/68.]
- (2) Appropriation Accounts, Railways, for 1966-67, Part I-Review. [Placed in Library. See No. LT-439/68.]
- (3) Appropriation Accounts, Railways, for 1966-67, Part II—Detailed Appropriation Accounts. [Placed in Library, See No. LT-439/68.]
- (4) Block Accounts (including Capital statements comprising the Loan Accounts), Balance Sheets and Profit and Loss Accounts, Railways, for 1966-67. [Placed in Library, See No. LT-440/68.]

श्री मोल्हू प्रसाद : मेरा एक व्यवस्था का प्रश्न है नियम 357 के अधीन।

अध्यक्ष महोदय बताइये, क्या है।

श्री मोल्हू प्रसाद : हमने एक अल्प सूचना प्रश्न दिया था और आधे घंटे की सूचना भी दी थी। आपके कार्यालय से...

MR. SPEAKER: There is no point of order; it is completely out of order.

श्री मोल्हू प्रसाद : आपके कार्यालय से जो जवाब मिला है, उसको मैं आपको सुनाना चाहता हूँ। (इंटरप्शन) आप सुनना ही नहीं चाहते हैं। पन्ना के होरों की चोरी का ...

MR. SPEAKER: If once it had been rejected, it cannot be raised on the floor of the House.... (Interruption.)

ESTIMATES COMMITTEE

THIRTY-SECOND REPORT

SHRI P. VENKATASUBBAIAH (Nandyal) : I beg to present the Thirty-second Report of the Estimates Committee regarding action taken by Government on the recommendations contained in the Ninety-second Report of the Estimates Committee (Third Lok Sabha) on the Ministry of Transport and Shipping—Mormugao Port.

श्री मोल्हू प्रसाद : \*\*

MR. SPEAKER: Order, order. Nothing he says will be taken down. He may kindly resume his seat.

12.32 HRS.

WEST BENGAL BUDGET, 1968-69

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) : Sir, the House is aware that a Proclamation under Article 356 of the Constitution was issued by the President on the 20th February 1968 in respect of the State of West Bengal. By virtue of this Proclamation, the powers of the

DEMANDS FOR SUPPLEMENTARY GRANTS (WEST BENGAL), 1967-68

THE DEPUTY PRIME MINISTER AND MINISTER OF FINANCE (SHRI MORARJI DESAI) : I beg to present a statement showing Supple-

legislature of the State are now exercisable by or under the authority of Parliament. The Proclamation was laid before Parliament on the 20th February 1968 and will shortly come up for the consideration and approval of the Lok Sabha. At this stage, therefore, I shall confine myself to the presentation of the Budget Estimates for the State Government for 1968-69 in order to obtain a Vote on Account for the period April—July 1968, pending detailed consideration of the Budget by the House.

2. The general features of the economic situation in the country were reviewed by me when I presented the Central Budget some days ago. It is not, therefore, necessary for me to dwell at length on the economic or other developments in the State, except to refer to certain special features. In the field of agriculture, great importance is being given to the High Yielding Varieties Programme as against 55,000 acres brought under high yielding paddy last year, it is expected that about 3.5 lakh acres will be covered this year, the next year's target being 7.5 lakh acres. An area of 13.4 lakh acres was irrigated during the last Kharif season by the three major irrigation schemes in the State, viz., Mayurakshi, Kangsabati and the Damodar Valley Corporation. When the Kangsabati project is completed it will irrigate an additional 6.75 lakh acres for Kharif and 1.5 lakh acres for Rabi crops. Maximum emphasis is being laid on minor irrigation and it is expected that 1500 deep tube-wells will stand energised at the end of the current year as against 770 last year. Sinking of shallow tube-wells and distribution of small pump sets have been laid on minor irrigation and it is other items like river pumping schemes and improvement of tanks are also receiving due attention. Nearly one lakh tonnes of chemical fertilisers were lifted up to middle of February, 1968, of which a significant portion was utilised for the high yielding crops. Short and medium term credit advanced by cooperative societies to agriculturists which amounted to Rs. 11

crores last year is expected to rise to Rs. 16 crores at the end of the current year. Long-term credit advanced by Land Mortgage Banks which amounted to Rs. 58 lakhs last year is likely to go up to Rs. 1 crore during the current year. 36 Cooperative Rice Mill units, including one modern rice mill, have also been set up of which 12 have already been commissioned.

3. Honourable Members are aware that in 1967, industries in West Bengal had to pass through severe stress and strain due to various factors. The engineering industry, specially the smaller units in the Howrah region, suffered the most as this industry was one which was affected badly by recessionary conditions. Apart from this, *gheraos* of the managerial and supervisory staff were resorted to by industrial workers on an unprecedented scale and this posed a serious problem to most of the industries. The number of stoppages of work due to industrial unrest was 447 in 1967 as against 244 in 1966 and the number of man-days lost was 6.1 million in 1967 as against 2.7 million in 1966 and 1.2 million in 1965. A sense of insecurity and uncertainty pervaded the industrial field and the investment climate turned gloomy. Confidence, however, returned to some extent towards the end of the year and there was a marked improvement in industrial relations. A number of factories which had closed have since reopened. The number of educated registrants with the Employment Exchange has also gone up, the increase in the case of engineering graduates being particularly steep, namely 18 per cent. Needless to add that ceaseless efforts will be necessary to stabilise the industrial relations and to rehabilitate the jobless workers as also to provide gainful employment to the educated unemployed.

4. Turning now to the budgetary field, I shall first indicate briefly the likely outcome of the Budgetary operations during the current year. (*Shri Hem Barua*: Is it a deficit budget?) The Revenue receipts this year are now

[Shri Morarji Desai]

estimated at Rs. 201.11 crores as against the Budget Estimate of Rs. 204.99 crores, the reduction being mainly due to shortfall under sales-tax owing to recessionary conditions. The expenditure met from Revenue is placed at Rs. 211.40 crores as against the Budget Estimate of Rs. 223.19 crores. This decrease of Rs. 11.79 crores and a similar reduction of Rs. 4.92 crores in the provision for Capital expenditure, is, in the main, the result of cuts which had to be imposed, particularly in the Plan expenditure, in order to reduce the big deficit of Rs. 36.41 crores left uncovered in the Budget presented to the State Legislature in June 1967. The State Plan outlay this year is now placed at Rs. 55.81 crores as against Rs. 69.94 crores provided for in the Budget presented in June last, though the outlay approved by the Planning Commission was only Rs. 60.87 crores. At the same time, the outgo on account of relief expenditure was larger by over Rs. 4 crores as compared to the Budget Estimate and that on foodgrains transactions, by over Rs. 3 crores. The result of these and other variations is that the current year's budgetary operations, as reflected in the Revised Estimates, show an overall deficit of Rs. 25.21 crores as against Rs. 36.41 crores estimated at the Budget stage. As, however, the State Government had a very comfortable cash balance at the commencement of the current year, it is expected that they will not end the year with any large overdraft with the Reserve Bank.

5. For the next year, the Revenue receipts are placed at Rs. 214.29 crores as against Rs. 201.11 crores this year. This increase of Rs. 13.18 crores is spread over a number of heads but is mainly accounted for by anticipated larger yield under Sales Tax consequent on expected improvement in the economy, and also larger receipts from State excise duties and State's share of Union excise duties. The provision for expenditure met from Revenue is Rs. 215.47 crores as against Rs. 211.40

crores this year. The increase of Rs. 4.07 crores is in the main the net result of larger provision for developmental expenditure in the fields of education, medical and public health services, and a few others, partly counter-balanced by lesser provision for relief expenditure, which at Rs. 3.75 crores is less by over Rs. 5 crores than in the current year. The Revenue account thus shows a deficit of Rs. 1.18 crores as against a deficit of Rs. 10.29 crores in the current year.

6. On the Capital side, the Budget assumes a market loan of Rs. 10 crores, which after allowing for repayments will mean a net borrowing of nearly Rs. 3 crores as against less than Rs. 1 crore this year. Total loan assistance from the Centre is placed at Rs. 54.05 crores as against Rs. 46.47 crores this year. Provision has been made for a Capital expenditure of Rs. 27.06 crores as against Rs. 34.6 crores this year, the decrease being mainly due to lesser net outlay on purchase of foodgrains. Next year's provision on this account is Rs. 43 lakhs as against Rs. 8.83 crores this year. In the net, next year's transactions show on Capital account a surplus of Rs. 1.32 crores which will more than cover the Revenue deficit of Rs. 1.18 crores.

7. The current year's estimates include a provision of Rs. 55.81 crores for the State Plan, the Central assistance being Rs. 34 crores. As against this, the Budget for next year includes a provision of Rs. 53.71 crores for the State Plan, the Central assistance being Rs. 46.10 crores. Among the provisions included in the State Plan may be mentioned Rs. 14.42 crores for Agricultural Programmes including Rs. 6.21 crores for minor irrigation; Rs. 2.63 crores for major and medium irrigation; Rs. 7.25 crores for education; Rs. 6.52 crores for the State Electricity Board and Rs. 3.06 crores for the Greater Calcutta Development Schemes. In addition, an expenditure of Rs. 8.30 crores will be incurred on the Centrally sponsored schemes as against Rs. 6.41 crores this year. Thus, the next year's Plan outlay will be

nearly the same as the Revised Estimate of the Plan outlay this year, despite larger Central assistance, but this is mainly due to the fact that the State Government had a very comfortable cash balance at the commencement of the current year, which they were able to use for the Plan but this will not be so next year. The Plan provision next year has been strictly determined with reference to the resources in sight at present but the question of augmenting the Plan Outlay could, if necessary, certainly be considered if it is found that it would be possible during the year to mobilise more resources for meeting the additional expenditure.

SHRI H. N. MUKERJEE (Calcutta North East) : Sir, with regard to this matter, I would like to have your guidance in regard to the procedure. As the Deputy Prime Minister himself stated, the President's proclamation regarding West Bengal has been intimated to the House, and the House has to approve it. I feel that the approval of the House should precede any discussion of the West Bengal budget, either supplementary or for the whole year. You will please see to it that, that is done.

MR. SPEAKER : I agree; that is the correct procedure.

श्री प्रकाश बीर शास्त्री (हापड़) : उत्तर प्रदेश के बारे में भी यही होना चाहिए ।

MR. SPEAKER : We will consider how to regularise this. Naturally the proclamation of the President must be discussed first. I agree with you. We shall discuss this and see how we should fix the time when we meet in the afternoon at the Business Advisory Committee.

SHRI D. C. SHARMA (Gurdaspur) : The speech should be circulated.

MR. SPEAKER : It will be circulated.

12.38 HRS.

GENERAL BUDGET—GENERAL DISCUSSION—*contd.*

MR. SPEAKER : Shri Rana may continue his speech. He has already taken four minutes.

SHRI M. B. RANA (Broach) : Sir, I would not take more than about 10 minutes as I am not fond of hearing my own voice nor am I fond of stealing the thunder nor of playing to the gallery. I shall finish within the time given to me.

Yesterday I was mentioning the taxation proposals as between the utility goods and the luxury goods, and I was speaking of the curtailment in the expenditure on administration and also on building proposals. I was on the point of Narmada project when my time was over. It is an all-India project and it should be treated as such. We have had the Khosla Commission which went into it and submitted a report. It is high time now that the report should be given effect to by the Government of India. Narmada is a river which will irrigate MP, Gujarat and the Rann of Kutch. There is some sort of agitation about the proposed giving away of some Kutch land to Pakistan. But if we are able to give them Narmada waters so that the Rann may be irrigated, I am sure all the agitation will die down not only in Kutch but in the whole of Gujarat.

Coming to price rise, one of the reasons for the rise in price of foodgrains is the zonal system, whereby the surplus States hang on to the surplus foodgrains they produce and do not allow it to go out. The deficit States want the surplus foodgrains. The farmers in the surplus States are agitating that they are not getting enough price for their foodgrains. So, the zonal system is liked by neither surplus nor deficit States. It should be done away with as soon as possible.

The rise in prices is also due to the general rise in prices all over the world. I was travelling by steamer from Naples. The moment I got off the steamer, I had to pay Rs. 2 to the porter who carried my two suitcases. The taxi driver who drove me 3 miles to the hotel demanded Rs. 20 and I paid him Rs. 15. When I paid one rupee to the shoe-shine boy, he refused and wanted Rs. 2. A hair cut costs about