

AN HON. MEMBER: Sir, with great respect, want to say that the hon. Minister has betrayed the people of West Bengal and the West Bengal people will never accept it. *(Interruptions)*

MR. DEPUTY SPEAKER: I have a piece of information for your kind consideration. The total time allotted was Twelve hours. Now the time retained by the congress is 2 hours and five minutes; BJP 17 minutes JD-53 minutes; CPM - 16 minutes; CPI-22 minutes; TDP-27 minutes; AIADMK-10 minutes; Janata party (0)- 31 minutes and JMM - 6 minutes. *(Interruptions)* Let us stick to the timings. Those who get the opportunity of speaking earlier, they consume the whole time and those who subsequently speak, they feel shortage of time. So each individual will have ten minutes to speak and three minutes before to ten minutes, there will be a bell. That is an indication that only three minutes are remaining and when the final bell is rung, the hon. Members will stop their speeches. I request the hon. Members to please confine to this. *(Interruptions)*

SHRI V DHANANJAYA KUMAR: (Mangalore); Yesterday, we cooperated with the Chair and we stayed till 11.30 in the night. We could not get an opportunity. *(interruptions)*

SHRI SAIFUDDIN CHOUDHURY (Katwa): On a very different issue and also an important issue, as the External affairs Minister is here I would like to bring one thing to his notice *(Interruption)*

MR. DEPUTY SPEAKER: No. This is not Zero Hour. We do not like to deviate.

(Interruptions)

SHRI SAIFUDDIN CHOUDHURY: Sir, it is not on Tin Bigha *(Interruptions)*

MR. DEPUTY SPEAKER: Nobody is permitted to put any question.

(Interruptions)

SHRI SOMNATH CHATTERJEE (Bolpur): Then, the Government must commit a committee that no final decision about it will be taken today. *(Interruptions)*

SHRI MADHAVSINH SOLANKI: We cannot commit that.

(Interruptions)

SHRI SAIFUDDIN CHOUDHURY: Sir, the meeting of the Security Council of the U.N. will be held today. *(Interruptions)**

MR. DEPUTY SPEAKER: No. Nothing goes on record. Don't record anything.

*(Interruptions)**

MR. DEPUTY SPEAKER: Now, we shall start the Budget discussion. Shri Sukh Ram will start.

(Interruptions)

MR. DEPUTY SPEAKER: This is not zero Hour. There should be a rule for it. There should be some order.

(Interruptions)

14.37 hrs.

GENERAL BUDGET 1992-93 GENERAL DISCUSSION- *CONTD.*

DEMANDS FOR GRANTS ON ACCOUNT (GENERAL) 1991-92 *CONT D.*
AND

SUPPLEMENTARY DEMANDS FOR GRANTS (GENERAL) 1991-92 *CONTD.*

[*Translation*]

SHRI SUKH RAM (Mandi): Mr. Deputy Speaker, Sir, I would like to thank the hon. Finance Minister and the Hon. Prime Minister for presenting this historical Budget in this August House.

SHRI KRISHAN DUTT SULTANPURI (Shimla): I am on a point of order. It was decided in this august House yesterday that the hon. Members whose names figure in the list would be given an opportunity to speak on priority basis, but today that decision has been changed.

MR. DEPUTY SPEAKER: All right.

SHRI SHUKH RAM: Public reaction to this budget is very good. Everybody, whether he is a labourer, a government employee, an officer a middle classman, a small or big industrialist, has praised this Budget. Some of the hon. Members here are opposing it. They are angry because of the applause showered on this Budget. I am saying this because (Interruptions)

[English]

SHRI ANNA JOSHI (Pune): Shri Ghulam Nabi Azad, I appeal to you, through the Chair that it has been decided yesterday in the House.

[Translation]

That those Members, whose names figure in the list and who are yet to complete the time allotted to them would be given an opportunity to speak today. My name is also there in the list.

THE MINISTER OF PARLIAMENTARY AFFAIRS (SHRI GHULAM NABI AZAD): If you still have time, we have no objections.

SHRI ANNA JOSHI: Yesterday we set till late hours and waited for our turn.

[English]

MR. DEPUTY SPEAKER: Let us not waste our time.

Shri Sukh Ram

[Translation]

SHRI SUKHRAM: Some policy changes have been made in this Budget and I heard

all the senior leaders in this regard. They have particularly alleged that this government has abandoned the policies of Pt. Jawahar Lal Nehru and is going to bring a big change in this country. In this connection I would like to submit that we are following the same path which we have adopted after independence, but the only difference is that a package programme has been introduced here to remove the impediments that were there in the way of progress and industrialisation of this country. We had inward looking economy till now. Important steps have been taken in this Budget to change it to outward looking economy so that it can be a part of the world economy. After 45 years, we have become self-reliant in the field of industrialisation and agriculture and we have achieved success in a number of things. But it is incorrect to say that we cannot be a part of the world economy until we become self-reliant in all fields. Modern science has reduced the distance between the countries of the world and today it is not necessary to become self-reliant in every field. I would like to give you an example. Holland is a small country. So far as tomato and citrus fruit processing is concerned, only one per cent of the raw material is met from their domestic market. But today that country is well developed in the field of agro-based industries. It has been alleged that since the multinationals have been allowed to invest here, they will capture the markets here. Today we should understand that to earn funds for industrialisation of our country, we have to change the pattern of investment, so that we can also keep pace with the fast growing world. Therefore, the hon. Finance Minister and the Government have taken the most appropriate steps in this Budget. It is true that there are some people who always oppose changes in the society, but this time, these changes have been brought to revamp the economy of the country. We are in debt. Every year, we have to pay interest to the tune of Rs. 32,000 crore to Rs. 34,000 crore. The biggest question today is how to get out of this debt trap. Today we are facing economic crisis. We should consider how to overcome this crisis. The Hon. Prime Minister has always stated one thing that if the policies of the Government are wrong, one

may point out in this regard. For example we may mention about public sector. We do not oppose public sector. I have been a great supporter of it. The present situation is that Rs. one lakh thousand crore has been invested in public sector. Suppose the dividend is calculated at the rate of 12 per cent we should get Rs. 12 thousand crore every year but we are getting only three to three and a half thousand crore rupees. During the Seventh five year plan when the schemes were formulated. The public sector contribution was one third of the total outlay; now it has been reduced to less than one sixth. Today the Central Budget needs the contribution of Rs. 29 thousand crores from the public sector. I think it is a great challenge for public sector. The Hon. Prime Minister and the hon. Finance Minister have repeatedly said that they do not want to retrench any labour. In spite of it labourers are incited. The reality is that Rs. 22 crore has been allocated for the training of the labourers and to re-deploy them and to avoid retrenchment so that in this modern age, they may become skilled. In this modern age it is immaterial to think in the terms that which country captures which market. Today the country having modern technology will capture the market all over the world. When the Government invites the multinational companies or other countries, they will bring the modern technology with them and when the Government important technology from other countries, they do not supply the latest technology rather they supply 7-8 year old technology. As a result of which we cannot compete in the international market. Therefore, I would like to point out that even today Japan, U. S. A. and European countries spend 3 to 5 per cent of their GDP on research and development but we are not spending even a single per cent of our GDP on research and development and this one percent consists of the 90% Government's contribution and the share of industries is very meagre. Therefore, my suggestion is that the research and development programmes may be expedited.

There are promising talents in our country, therefore, every industry and big industrialist should be asked to spend 4-5 per cent on research and development programmes.

You may give them their share in management but they should be encouraged to undertake research and development work on priority basis.

I would like to congratulate the hon. finance Minister that he has been able to control the growing rate of inflation for the first time in the history of Parliament. It is unprecedented that our budgetary deficit, which was Rs. 7700 crore during the last Budget has now been reduced to Rs. 7300 crore and in coming budget it will be reduced to Rs. 5380 crore. Non-planned expenditure had always exceeded 5-6% more than scheduled expenditure and the revenue deficit increased from Rs. 13882 crore to Rs. 17,087 crore. It has been reduced to Rs. 13,082 crores. It is unprecedented incident. Shri George Fernandes mentioned yesterday that adequate amount had not been given to States. I would like to request him that we all represent all the States and we feel pleasure when our states get money from the Centre. Beside this, we have to keep in mind one thing more carefully that the Finance Commission recommends for the allocation of revenue receipts of Non Planned Expenditure and the Central Government always accepted its recommendations as an award. The Ninth Finance Commission had recommended 85% share in Income Tax and 45% share in Excise for the States and the 3-4 per cent of the 15% share of Income Tax with the centre is being spent on collection of Income Tax. In addition to all these things, we hope that the next Finance Commission is likely to be appointed. *(Interruptions)*

MR. DEPUTY SPEAKER: Please conclude.

SHRI SUKH RAM: I shall conclude in two minutes.

[English]

MR. DEPUTY SPEAKER: There are so many speakers to participate in the debate. They are denied of opportunity. If we have to sit after 7 O'clock, people lose their patience.

(Interruptions)

[Translation]

SHRI SUKH RAM: There is an increase of 20% in Central plan. In the end, I would like to request the hon. Minister that a lot of amount is required to be invested in power sector. Power generation in 1950, was 1750 megawatt. At present it has increased to 66067 Megawatt. The Government has fixed target of 36000 megawatt in Eighth Plan. Out of which you have the generating potential of about 21000 Megawatt. (Interruptions)

[English]

MR DEPUTY SPEAKER: Please conclude.

SHRI SUKH RAM: It is very important.

MR. DEPUTY SPEAKER: I tell you the difficulty.

SHRI SUKH RAM: I request you to give me two minutes to complete.

MR. DEPUTY SPEAKER: The difficulty is that if 15 minutes are given, then everyone wants 15 minutes. It is up to you.

SHRI SUKH RAM: I give a suggestion which is more important for the whole country.

MR. DEPUTY SPEAKER: You are very much in the Government and you can whisper in the eares of the Finance Minister. It is not that the Opposition Members have to take it up before the House.

(Interruptions)

[Translation]

SHRI SUKH RAM: My suggestion is that Amulative scheme should be introduced in this regard or our deficit, which is 5% should be increased by 1/2%. It brings Rs. 3000 crores and this amount should be invested in power sector or the Amulative scheme should be introduced for six months as it was launched earlier, so that unaccounted money may utilised in it. As the Government is about

to take interest in gold bonds but the gold bonds do not provide investment. Gold bonds generate the credibility of the Government for lending. But the sald scheme brings a lot of money for the Government and that money can be invested for three years in the projects which are likely to be completed in three years. You should complete those projects and the income accruing from these projects should be invested in other projects. Unless power crisis is overcome, all the policies will have to face hurdles.

Mr. Deputy Speaker, Sir, I have a lot to speak but there is shortage of time. Therefore, I would like to submit to the House that it is a historical budget and it will strengthen our economy. If small countries like South Korea, Taiwan could not be annexed by the foreigners, nobody can dare to annexe India which is self-dependent after 45 years of its independence. We want more investment. I think the whole House will support the policies of the Government and will pass this budget.

With these words I thank you for giving me an opportunity to speak.

[English]

SHRI MUHI RAMSAIKIA (Nowgong): Sir, I rise to oppose the Budget because it is against the interest of the poor people of this country. The Union Budget is the most important instrument of our economic policy but this Budget does not address some of the burning economic problems of the day such as unemployment and inflation. Sir, a look at the revised estimate of 1991-92 budget will clearly show that the budgetary deficit is lower than the budgetary estimate and is accompanied by more than 20 per cent rise in revenue deficit. The revenue and expenditure proposals of the 1992-93 Budget would aggravate the problems of inflation and unemployment. Moreover, it would also adversely affect the self-reliance of our economy.

Again the Budget seeks to cut back on rural development and human resource development and the areas of generating employment, population control, literacy, health care, irrigation and rural electrification are

completely ignored. But the proposals indicate the possibility of taking steps for denationalisation at the cost of poverty inflation and unemployment. Even today, more than 60 per cent of our people are living below the poverty line. There is no adequate increase in the plan outlay for poverty alleviations.

The notable features of taxation proposals such as concession to direct taxes, reduction in import duties, massive doses of indirect taxation through excise duty would create untold sufferings to the common people, the educationally backward people and the working class. Not only that, increase in excise duties would directly hit the common people and it will also add more fuel to the inflationary fire. Again by lowering import duties further on capital goods would definitely encourage foreign investment. This will lead to the opening of our entire economy to the foreigners, to the multinational companies. This will include even strategic sectors of the economy such as oil.

Another important feature of the Budget is that the budgetary support to the Central Plan outlay is hardly 35 per cent and the remaining part has to be met from internal budgetary resources. This means that there is a possibility of further increase, in administered prices and this would, in turn, increase inflation.

It is very frequently stated that in order to achieve our objectives of economic growth, self reliance, all eviaction of poverty and equitable distribution, we should be prepared to bear the burden, pay the price and make sacrifices. The question is, 'At whose cost?' Who shall sacrifice and who shall bear this burden? The budgetary proposals clearly state that all this will have to be borne by the poorer sections of the society, the working class and the middle class, and not by the elitist sections, the richer sections, the multinational companies and the big monopoly houses. Rather, these rich sections would gain most. Corporation tax remains unchanged and they shall be able to import their requirements without any restriction at reduced tariff rate. The increase in prices of

imported goods or their componests and the increase in excise duty will easily be passed on to the customers, viz, the common people. Thus, the poor and middle class people will be adversely affected by all these measures. The burden of sacrifice shall never fall on the big industrialists.

There is again the question of modernisation, marketisation the question of llobalisation and so on. All these things will lead to the closure of a large number of industrial units in the country. Sir, lakhs and lakhs of people are working for years together in small and cottage industries. These people mainly comprise weaker sections of our society. There is no provision to help the growth of cottage and small scale industries. Import of more and more foreign capitals will cut back the livelihood of these weaker sections. People who work in these tiny industries to supplement their income will be hit very badly. So, the closure of these industries would benefit the richer sections., the big monopolists and the multinationals. This is not in the interest of the weaker sections of the society. Therefore, all these things will lead to more and more inflation and further increased in administered prices and so on. All the burden has to be borne by the poor and weaker sections. As a result of these budgetary proposals, lakhs and lakhs of people will be thrown out of employment. They will be jobless. Therefore, instead of solving the problems, this Budget will aggravate the problems. Therefore, I oppose this Budget.

15.00 hrs.

[Translation]

SHRI SHIV SHARAN SINHA (Vaishali): Mr. Deputy Speaker, Sir, this budget is against the interests of the farmers and labourers and is against employment and development. It appears from this Budget that not only our industrial, economic and commercial polices but our educational agricultural and all other polices also have been mortgaged to U.S.A. through the world bank, the IMF and the multinational companies. If any Indian feels proud of this budget,

[Sh. Shiv Sharan Sinha]

it means he is not an Indian in true sense. India is a country of villages and farmers and labourers are against this budget. It is baseless to say that this budget is being welcomed by the people. In a few months, people living in villages cities and Government employees in lakhs will protest against these policies, price hike, and unemployment. Our path of liberation from multinational companies and to Swadeshi self dependence is being blocked by this budget. Voice will be raised against his Budget and of the Government does not learn any lesson from it the people will have no alternative but to adopt the way of confrontation. I remember the ideals of Gandhiji, Nehruji, Subhash Chandra Bose, Sardar Bhagat Singh, Jai Prakash Narain and Dr. Lohia. This budget has shattered their dreams. Nehruji had said:-

[English]

" We have to do our own thinking, profiting by the examples of others, but essentially trying to find a path for ourselves suited to our own conditions.

We might also keep in view the old Vedantic ideals of the life force which is the inner base of everything that exists."

15.01 hrs.

[RAO RAM SINGH *in the Chair*]

[Translation]

Will the members of the ruling party think over these words of Nehruji? Is your budget in this spirit or not? You have made our foreign policy and defence policy dependent on others. There was a time when the hymn "Buddham Sharnam Gachhami" used to be chanted in India. Today we feel ashamed to say " American Sharnam Gachhami " since the people of the ruling party are chanting it. Is it our dignity, not at all. Prime Minister, Finance Minister and the hon. Members of ruling party are saying that whatever they are doing today are doing with general

consensus for this budget? Have you taken the consent of all the opposition parties in the parliament? Have you taken opinion of the intellectuals the economists and the experts? No, not at all? You have not taken the opinion of the 85-90 per cent people living in villages. You have secured the consensus only of World Bank, I.M.F. and GATT council, with which India is not concerned. You have misguided us. I do not see any measure to abolish regional imbalances in this budget. Nothing has been said regarding removing poverty. Your Eighth Five Year Plan aims at creating enough employment opportunities eradicating poverty and fulfilling social needs. But you see, this budget will increase unemployment and an army of unemployed will be raised. Instead of removing poverty, you are increasing it. It will increase prices which will give a big financial jolt to general masses. This country is also going to be disintegrated. How the amount which provided for the social needs, is being utilized, is before us. You should think over that. Have you ever thought as to how the money allocated by you is utilised. late Shri Rajiv Gandhi had said that 85 per cent money given by us for development is bungled away in between and only 15 per cent is spent on developmental works. What the Prime Minister and Finance Minister have thought about it? There is no such indication in this budget that Government wants to be observe economy or wants to be extravagant? There is no such indication in it. There is no reference in this budget " Ask for donation and restrict the expenditure". There is no indication in the budget that steps would be taken to curb the corruption. When you will be extravagant and there will be no restriction on expenditure, and when corruption will be encouraged then what will happen? All plans will be affected. Therefore, I request you to remove corruption and observe economy.

Yesterday, I was listening, I do not want to go in to details, that how each Minister is spending. This is extravagancy on your part. First you take care of your house, only then you have any claim outside.

Who is welcoming this budget? Are the

85-90 per cent people of this country welcoming it, no they are not. Only three to five per cent people, those who are capitalists, the affluent people, those who amass wealth by exploiting people are welcoming it. Just now an hon. Member from the other side has said that it is being welcomed by everyone and everywhere. It seems that you are unaware of the hopes and aspirations of the people, if you are not, then go to the villages. You go to the boat club and see. People of Bhartiya Janata party are demonstrating there go there and find out what is happening. You will not do it, you will not try to know the truth. Please pay attention towards it. The regional imbalance must be removed. There are many States with whom you have not done justice. I come from Bihar which is a backward State. It has a large population and the minerals are in abundance there. The Centre raises its income through it. The big problems which this state is facing are flood, water logging, and lack of irrigational facilities. You have left it on the state to deal with these problems because of lack of resources. North Bihar which has a population of 4 crores people is affected by floods which should be brought under control. About 9 lakhs hectare of land is submerged under water there. If this land is cleared of water logging fertile land will be reclaimed. We can grow 50-60 lakh tonnes of food grain per annum there. You are importing wheat from America on higher prices. You give it to the flour mills on low price rates and when the flour is prepared it is sold to the people on higher rates. What is all this? Will it remove poverty? Will the rising prices will be brought under control?

Mr. Chairman: Sir, I was talking about regional imbalance, there is a great imbalance in the whole country for example. Northern Bihar has not been linked with rail so far. 45 years have passed since we got freedom. About 25 lakhs people of 15-20 blocks have been demanding to lay a railway line from Hazipur, to Vaishali, via Sahibganj, Arayraj, Motihari upto Sugoli on Nepal border and they have been raising this slogan since 1947...but it has not yet been laid, the Government should immediately construct it.

MR. CHAIRMAN: This has all been taken care of in the railway budget. The Prime Minister had assured that he would keep everybody's view in mind. There is a lack of time, you please wind up..

SHRI SHIVA SHARAN SINHA: I have said all this for the information of the House. I would like to say one more thing that there is a shortage of power in Northern Bihar. How an area facing power shortage can make progress? A thermal power station of 660 MW capacity was to be constructed in Muzzaffarpur Kanti.

MR. CHAIRMAN: The hon. Power Minister is sitting in the House you can bring it to his notice.

SHRI SHIVA SHARAN SINHA: So, I would like to submit that two units of 220 megawatts each, were set up but I am sorry to say that due to the lack of money only 50-60 megawatt electricity is produced daily. Therefore, I will request the hon. Power minister to look into it so that Northern Bihar and specially the backward area could be supplied adequate power.

Thirdly, the Gandak Scheme and the Kosi Irrigational scheme were started in 1960 under the international and national water schemes but it is lying incomplete till date. Nepal, Uttar Pradesh and Northern part of Bihar are irrigated under this scheme and even that is lying suspended. It seems to me that nothing is going to happen in the Eighth Five Year Plan. Therefore, I demand that it should be completed at the earliest.

Mr. Chairman: Sir, much has been said about the development of agriculture. How will it be developed? 90 per cent of the agricultural land of the country is in the hands of 5-10 per cent people and only 5-10 per cent of land is in the hands of 90 per cent people. When there is such a big gap how will the agriculture be developed? Actually the big farmers, who are engaged in agriculture on commercial basis can develop but the crores of small farmers cannot avail any benefit, so, the land should be distributed. As far as the land reforms are concerned, I do

not think that you will go for it. The crores of landless people will not wait. They are now an awakened lot. They would not starve anymore, they will march, and grab the land and will raise the slogan that whosoever earns will eat. Therefore, immediate attention should be paid towards it.

MR. CHAIRMAN: Thakur Sahib now you please wind up immediately.

SHRI SHIVA SHARAN SINHA: I am concluding. Now I am making the last point. We have achieved political freedom and made big sacrifices for it. The great martyr, Sardar Bhagat Singh, who had thrown bomb and had kissed gallows with a smile had said that when we get freedom, farmers and the labourers will rule the country. Are they ruling?

We have attained political freedom after a lot of sacrifices but the shackles of economic slavery are still around our wrists, and around the wrists of 90 per cent people of the country. I had hopes that this will be broken but from the Budget and from the hon. Finance Minister it appears that the shackles are not going to be broken. We will have to make sacrifice in lakhs and we will have to launch a mass movement to break the shackles. While following the path of truth and non-violence we will launch movement and break the shackles of economic slavery.

Mr. Chairman, Sir, I am saying the last thing and the last thing is recalled at the last time of the age. That last thing is that with the rise in prices and increase in unemployment the human values are also degrading. You and we have to make humans. The factories alone will not do. We are to make the human perfect and create humans with human values. Are we marching towards it? Gandhiji, who on the one hand, had fought for the freedom of the country and on the other hand, he was taking us towards spiritualism with the incantation Raghupati Raghur Raja Ram, Patit Pawan Sita Ram He was setting an example before the people to maintain balance between materialism and spiritualism and lead life on these lines. I hope that

our hon. Finance Minister, who has become materialistic, should rise a little since materialism is not everything at all. Follow spiritualism and lead a balanced life and remove all these ills. The main objective of the people belonging to any religion should be the service of mankind. Help those who are exploited, are poor and are distressed. Can you meet the nation's call for humanity through this Budget? You cannot. Therefore, I appeal to you to pay attention to those who have sacrificed their lives in the freedom struggle and also to those who are alive. Indiraji had given them Rs. 500/- as *Samman Pension*. Rajiviji gave Rs. 750 per month.

[English]

MR. CHAIRMAN: Kindly wind up. You have exceeded the time.

[Translation]

SHRI SHIVA SHARAN SINHA: I am concluding with the request that this pension should be raised at least to Rs. 1500 per month.

[English]

MR. CHAIRMAN: Shri Gopi Nath Gajapathi.

SHRI OSCAR FERNANDES (Udupi): I want to seek a clarification from the Chair. Yesterday we sat up to 11.30. P.M. and it was decided when the Parliamentary Affairs Minister moved a resolution like thing that the people who were waiting yesterday to speak would be given an opportunity to speak today first. I would like to know whether those names are being accommodated today. That is all I would like to know.

MR. CHAIRMAN: The Hon. Deputy-Speaker before leaving the Chair told me that he has followed exactly that criterion, that those hon. Members who were sitting till late in the night yesterday, their names have been included first and if there is anything that has been left out, if you point it out to me I will try to correct, if there is any lacuna in that.

SHRIOSCARFERNANDES: Thank you.

SHRI E. AHANMED (Manjeri): Do they have to wait till late in the night today?

MR. CHAIRMAN: That I am not in a position to say now. I think as things stand now, the Finance Minister is supposed to give his reply at about six O'clock. Anyway, if the House wants, we can sit late and we can request the Finance Minister also to sit late. It is up to the House. Whatever the House desires, that will be done. Now Shri Gopi Nath Gajapathi.

[Translation]

SHRIVIJAY KUMARYADAV (Nalanda): Mr. Chairman, Sir, yesterday a few minutes after 11 O'clock, my name was likely to come after those who had already spoken.

SHRI KRISHAN DUTT SULTANPURI: And my name was also to come up.

SHRI VUOY KUMAR YADAV: At that time my name was to come up but now I do not know when will it come. I kept waiting in the House till late hours.

MR. CHAIRMAN: Mr. Vijoy Kumar Yadav, your name is certainly there but it will come after some time.

[English]

SHRI GOPI NATH GAJAPATHI (Berhampur): Mr. Chairman, Sir, on a subject of this high gravity like the country's Budget, the foremost question that comes to one's mind is, the Government's economic policy really succeeded? Perhaps it is too premature to hazard a definite answer. Many measures will take time to yield results, for which there is no ready-made panacea. An inefficient, inward-looking economy cannot be transformed into an efficient outward-looking economy overnight.

However, several trends and statistics suggest that there is room for optimism, although the road ahead is strewn with pitfalls. It is important to focus our sights on the

overall picture rather than get lost in mere statistics. What stands out is that the Prime Minister, Hon'ble Shri P.V. Narasimha Rao and his team comprising of Honourable Dr. Manmohan Singh and others have transformed economic policy and brought about radical changes, which were regarded as political impossibilities, just a few months ago.

An important method of assessing the success of a policy is to ask, how likely it is to be changed, if another Government comes to power. The Congress Government's package looks irreversible in the fundamentals. This irreversibility owes much to the fact that the country was more or less bust and had no soft options left. The world over, politicians are generally notorious for avoiding harsh options until the soft ones are exhausted. However, it is not globally true that leaders of the bankrupt countries recognise the need for radical changes, quickly or comprehensively. The Government has and hence deserves credit, for exhibiting rare courage and vision.

The General Budget for 1992-93 is highly progressive, outward-looking and dynamic in its ingredients. It contains many welcome features like convertibility of the Rupee, containing of fiscal deficit, reduction of maximum customs duty rates, permitting gold imports, reduction of Income tax rates etc. The Government's new economic policy is the continuation of the popularly accepted fehnton model of economic development

The RBI's curbs have helped slash the trade deficit to one billion dollars in the first half of the year 1991-92, down from 2.43 billion dollars in the previous year. However, this has been accomplished mainly through import compression, essentially a crisis measure, which should not be persisted with indefinitely. The RBI must relax curbs to enable manufacturing and exports to boom. The relaxation has become feasible, since the foreign exchange reserves have gone up from an alarming low figure of Rs. 2,600 crores after devaluation in July 1991, to a more respectable figure of above Rs. 11,000 crores by mid March 1992. This is a clear indicator

[Sh. Gopi Nath Gajapathi]

and acid test of success without which other policies would have been in gave jespardy .

India's ability to avoid its deb service payment difficulties largely hinges upon its capacity to maintain adequate to export growth rate and attracting foreign exchange deposit from NRIs. Given relatively a lower level of prevailing wages by international standards for its highly-skilled work forces, India can tap its potential for higher exports in service-related industry, for example, computer software, engineering and medical technology. NRIs must be granted dual citizenship and should be given tax incentives to bring their savings back to the country for portfolio or direct investments. Let us not forget the fact that there are approximately ten million NRIs, having the potential to bring in ten billion dollars of foreign exchange into our country.

It is imperative that India reduces its dependence on non-essential imports and thus save valuable foreign exchange, which is to be used exclusively for infrastructural like, telecommunication, transportation, etc, and productive capacity of the economy. An elaborate policy of import substitution must be instituted by the planning authorities to conserve foreign exchange on a long-term basis.

It is heartening to note some of the expert views expressed by our pragmatic Union Ministers renowned industrialists economic wizards, etc. who have all struck an optimistic note Hon Dr. Manmohan Singh has categorically assured us that the Budget will contain inflation. Hon Shri Rameshwar Thakur has promised major tax reforms. Hon. Shri .P. Chidambaramji has boldly declared that the Liberalised industrial policy will benefit all. The noted Jurist, Shri Nani Palkhivala ji has said that this year's Budget is not for the greedy. He added that it is a watershed Budget, opening a new chapter towards playing our legitimate role in the world economy. Further, the last G-15 Countries' Meeting in Caracas marked a watershed of cooperation between Government

and industry, reflected in the close coordination and consultations between Government of India and industry leaders. The President of ASSOCHAM, FICCI, CEI, FIEO and CII welcomed the involvement of Indian industry with the Government of Indian in the G-15 Meeting. The apex bodies of Indian industry held the view that this welcome beginning can be developed and further consolidated.

All the same, the hon. Union Finance Minister is urged to review some of the Budget proposals, like those relating to withdrawal of certain tax shelters which have adversely affected the common man. The withdrawal of Sections 80 CCA, 80 CCB, 80L etc., could make the savings mobilisation in the States suffer as has been pointed out by the dynamic Chief Minister of Tamil Nadu hon madam J. Jaylalithi a in particular. The Government should also focus more attention to development of agriculture, construction and other avenues, which could lead to employment generation. Pruning allocations under these heads might have undesirable spin-offs. duties taxes etc on vital materials and as this is not for cement steel and life-saving drugs should be reduced , as this is not beneficial either to the manufacturer or to the consumer.

The authorities can take a second look on the wealth tax on public companies, which is sought to be reintroduced after being repealed by the finance Act, 1960 and the wealth tax on urban land of large public companies on the basis of being unproductive. The special surcharge on income-tax is questionable, as this measure would deny the States a share in the tax collected through surcharge.

The Government should take a pragmatic approach for accelerating exports. There could be possibility for increasing exports to general currency area in the coming years. However, the exporters, who were doing business mostly with rupee trade area, have been adversely affected. The Government should also take a cautious approach towards the capital market. There is no denial that in the coming years, private corporate sector has to mobilise its capital

resources, mostly from this sector. A slide downwards of the capital market index would considerably erode the investors' confidence.

Further, both life-saving and sight-saving equipment are exempt from Customs Duty. However, there is anomaly in this year's Budget, regarding the exchange rates that have been available for the import of sight-saving equipment and drugs. While for life-saving drugs and equipment foreign exchange will be provided by the Government at the official exchange rates, the foreign exchange for sight-saving equipment will be decided by market-determined exchange rates. This implies an increase in the price of sight-saving equipment 20 per cent. Hence, this category of equipment should also be permitted to be bought under official exchange rates. After all, life without sight is not worth living. Such persons would also be a burden on the society, was the observation made by the Madras-based, noted ophthalmic Surgeon, Dr. J. Agarwal.

There is a dire need for increasing literacy and population control to improve the general standards of living. Energy shortages, transportation bottlenecks and irrigation deficiencies so essential for regional development must be tackled on a war footing with adequate funds allocation. Another crucial need of the hour is reform of the vital public sector undertakings of our country. However, the country's credit worthiness that had disappeared some time ago, seems to have re-appeared now. There is much hue and cry and deep concern that India has succumbed to pressures from international financial institutions. If the conditionalities prescribed by the I.M.F. World Bank and Asian Development Bank were good for the country's economy, I daresay, there is nothing wrong in accepting them.

All the same time, it was not these international finance institutions that had improved the new policy, but the congress party's election manifesto, which in turn was originally piloted by our former Prime Minister late Shri Rajiv Gandhi.

In conclusion, it is worthwhile quoting

the observations made by the dynamic President of ASSOCHAM, Shri N. Sankar while being interviewed on the Doordarshan by Shri Deepak Vohra on the 18th March, 1992. He asserted that the Government has opened up, our economy has also opened up, giving rise to a very optimistic scenario for ushering in the 21st century. I could not agree more with my former tennnis colleague and classmate. Thus, I whole-heartedly support the General Budget for 1992-93.

SHRI MORESHWAR SAVE
(Aurangabad): Mr. Chairman, Sir, when the Budget was presented on 29th February, we thought that, probably, this is one of the finest Budgets. But, unfortunately, after the interpretation which we have come across, we find that it is nothing but a dramatic and sugar coated quinine so to say one, and ultimately it is going to have the effect of poison.

The Union Budget presented this year by the hon. Finance Minister had raised lot of leading the country into a situation of total bankruptcy has to be accepted by the party which ruled the country for the last forty years. Commendable job has been done by the Finance Minister in pointing out that reforms process, which has been set into motion, will yield results only after two or three years.

For the purposes of simplification I wish to classify the Budget into four parts. One for the rural sector, second for the organised work force and salaried persons, third for traders and SSI units and fourth, for the big industries. The major problem before the nation, where any Finance Minister should have top priority to address, is the galloping inflation.

A steady rate of 12.8 per cent can erode totally and chance of improvement in the quality of life. There is no comfort in saying that the rate has been brought down from 16 per cent. Inflation hurts the poor and fixed income earner. Fiscal discipline, if achieved, would restore single digit inflation.

The Government has widely advertised

[Sh. Moreshwar Save]

the PDS as a relief to the vulnerable sections of our society. I may point out that few ration shops have exhibited total callousness and the material supplied which is full of stones and cement in cereals is unfit for consumption. It was my misfortune to discover this on my own ration card.

The Budget., therefore, does not provide for fighting inflation with a missionary zeal. I would, therefore, call upon more efficient management of the PDS machinery so that people could get quality material from the ration shops.

For the organised sector, the Budget has proposed certain reliefs in the form of personal Income Tax restructuring. In my opinion, the limit of Rs. 28,000, which has been raised from Rs. 22,000 should be taken up to Rs. 40,000. Withdrawal of Section 80L is amounting to a negating factor as against this increase in exemption.

While the nation would largely welcome the rationalisation of structure and the tax levied at the entry point and over Rs. 1 lakh, the relief is deceptive.

The Finance Minister has cleverly taken away with the left hand what he has generously given with the right hand.

Reverting back to the proposal on the small farmers, consortium that the Finance Minister has proposed, I would await details as I belong to the constituency which is basically from the rural sector.

Agriculture is the mainstay of our economy. The recent figures provide a dismal picture with low output during the last year. Drought stricken States are looking forward to a policy initiative in improving infrastructural facilities. About provision for increasing irrigation potential, incentive for dry land farming, raising credit from the cooperative sector, call for meaningful allocations in the plan outlays, I am afraid non-provision would lead to problems which would retard the process of increasing production.

SHRI OSCAR FERNANDES: Sir, I am on a point of order. I think our Members should avoid reading.

SHRI MORESHWAR SAVE: I am referring to the points.

MR. CHAIRMAN: Mr. Fernandes, let him continue.

(Interruptions)

SHRI OSCAR FERNANDES: I think our Members should avoid reading their speeches. (Interruptions)

SHRI MORESHWAR SAVE: Sir, cutting of subsidies which form a major problem of the non plan expenditure is welcome. Provision of Rs. 2500 crores on this account may not be adequate and that should be improved. I have very strong reservations on the reduction of outlay for the rural development. In conclusion at the end I will be giving the percentage to show how it has come down.

We seem to be getting into a debt-trap. The proposed concessions in excise duty and customs duty would make the industry growth oriented and more viable. The implications of making pesticides, seeds easier to obtain from foreign sources is dangerous. The proposal for reduction of duty on capital goods, concessions of excise on nylon, viscose and textiles etc. are welcome measures.

People are very keen on knowing the economic reforms and rationalisation that you desire to achieve in the banking industry.

There is no meaningful direction in the Budget to make this more efficient and business conscious.

On the personal income tax, it has been a clever exercise. In my opinion Sections 80L, 80CC (A) and 80CC (B) should be restored as it affects pensioners as well as it discourages savings from those who are on the verge of retirement and needy people. So, the limit should be extended to Rs.

40,000/- as it is reasonable. Wealth Tax modifications have serious overtones and we may witness stage situations. National Wealth like house property has been heavily taxed. In nutshell, the Budget does not mark unemployment, poverty and rural economy as its targets. Though the deficit has been reduced, I am afraid the nation has not been given an opportunity to prove its resilience. The Budget would stoke inflation and the disinvestment of public sector units may result in massive sickness and unemployment. As of today, out of 227 public undertakings, 58 are in red. If they are required to be rehabilitated, then we would require an amount of Rs. 15,000 crores. In this amount, they are going to rehabilitate about four lakh people, but with this amount they can provide employment to 15 lakh people more. So, in view of this, the Government should seriously consider the issues of disinvestment and rehabilitation programmes and avoid, as far as possible, to run these sick industries in public sector.

Then, the discontinuation of control of capital issues is likely to prove a big gamble. When you are opening the nation to foreign competition and investment, neglect of SSI and proper attention to our industry would lead us to greater problems.

Sir, before I conclude, I would like to give some suggestions. The suggestions are like this;

- (1) The process of import substitution and protection of infant strategic industries should be looked into.
- (2) Labour laws and enforcement as well as trade union practices need serious attention.
- (3) Domination of rich and middle farmers over the rural poor should be curbed.
- (4) Loan Waiver Schemes should be discouraged.
- (5) External Finance can at best pro-

vide us breathing period and cannot be a substitute for solving our problems. We must try to become self-sufficient in every field.

- (6) The reduction of subsidies is the most favoured but resisted solution for closing the budgetary gap.
- (7) By improved efficiency, cost of fertilisers, irrigation water and electricity should be lowered.
- (8) Unproductive expenditure should be avoided after funds acquired from International Monetary Fund, World Bank as well as disinvestment of public sector equity.
- (9) Increased defence provisions are going to be meaningless due to devaluation which needs your kind attention.

Sir, now, I would like to give some figures. In 1981-82, the development expenditure in the Government Budget was 42 per cent and the other expenditure was 58 per cent. Now, in 1991-92, the development expenditure has come down to 29.2 per cent and the other expenditures have gone to 70.3 per cent. Similarly, as far as loans are concerned, in 1981-82, our internal loans were Rs. 30,684 crores foreign loans were Rs. 11,298 crores. In 1991-92, the internal loans stand at Rs. 1,71,589 crores and the foreign loans stand at Rs. 35,122 crores. In 1981-82, the total loans amounted to Rs. 59,749 crores and in 1991-92, it Rs. 355,201 crores. In this fashion, you can understand what sort of burden we are carrying presently.

In 1983-84, we spent Rs. 2,749 crores on account of subsidy we were paying an interest of Rs. 4,795 crores and on defence we were spending Rs. 5,831 crores. As against this, if you see the figures of 1991-92 you will realise as to where we stand now. In 1983-84, the subsidy was Rs. 2,749

crores and in 1991-92, it is Rs. 10,395 crores, that is, about 9.2 per cent of the Budget. Similarly, on the interest side, as against Rs. 4,795 crores in 1983-84 we are now paying Rs. 27,450 crores in 1991-92, both internal as well as external. Though the defence budget has increased from Rs. 5,831 crores in 1983-84, to Rs. 15,350 crores in 1991-92, it has come down from 16.4 per cent to 14.4 per cent.

So, looking to all these four, I would request the hon. Finance Minister to go through these things seriously and make suitable amendments in the proposals which he has presented on the 29th February, 1992.

SHRI E. AHAMED (Manjeri): Mr. Chairman, I rise to support the Budget proposals. This Budget has been described as anti-people anti-poor, anti-labour and anti-farmers on the one side and on the other side, the national media has described this Budget as a landmark budget, path-breaking, populist and innovative budget. My opinion is, this is a realistic budget.

Whenever we examine the economic scenario of the country, this Budget cannot be dismissed as anti-poor and anti-people. But at the same time, we must also make an objective study of the Budget and the circumstances under which the hon. Finance Minister has to make the Budget proposals. It is an undisputed fact that the economic crunch is still not over. The balance of payment position has gone up reasonably well. But its weaknesses are still not over. We have to admit that strong inflationary trends with the resultant difficulties in the price front are still persisting in our country. The greatest constraint for our Finance Minister is on reducing fiscal deficit. On the three components of expenditure namely Defense, interest on debt and the subsidy, the Finance Minister was unable to touch and he has to be very much cautious when he touches the Defense expenditure. As far as the other subsidies are concerned, we have to maintain subsidy. Taking these factors into account,

one will come to the final conclusion that the Budget that has been presented by Dr. Manmohan Singh is a realistic Budget in the present circumstances.

This Budget has some of the special features compared to the previous Budgets presented in this august House by the present Finance Minister himself as also the former Finance Minister. I will also quote what the famous economist Prof. A.M. Khusro has said:

"Every previous Budget works within a given framework. But this one changes the very framework from a semi-controlled to a liberalising economy."

In fact, this Budget has given a liberal outlook and the controls have been liberalised to a great extent. The most important aspect of the Budget is that there is reduction in the fiscal deficit as compared to last year. He has brought down the fiscal deficit of Rs. 44,650 crores in 1990-91; to Rs. 37,792 crores in 1991-92. This is a matter of pride and the Finance Minister deserves all congratulations on this point. He also promised that he would further reduce the fiscal deficit from Rs. 37,792 crores to Rs. 34,408 crores in the next Budget. If the Finance Minister will be able to comply the assurance which he has given to the House, it is definitely a path-breaking as far as our economy is concerned.

I may just mention something about the balance of payment position about which the Finance Minister has made several references in his Budget. The Finance Minister has to be congratulated for raising balance of payment position from Rs. 2,600 crores to Rs. 11,000 crores.

Some of the measures that the Finance Minister proposed in the last Budget helped us to have a reasonably well balance of payment position.

His policy of introducing partial convertibility of Indian rupee and also of the gold import as well as the gold bond policy, may I say, are the innovative ideas which will help

us to stabilise our economic system?

There are several advantages in this policy. These three things, partial convertibility of Indian rupee which means 40 per cent at the exchange rate and another 60 per cent at market determined price as well as gold import by NRIs and the proposed gold bond policy, all these will definitely remove the considerable uncertainty with regard to the position of our rupee among the foreign and domestic transactors. Barring specified things, all other capital goods will also be imported against foreign exchange and hereafter there is no need of the exim scrip policy. This will also strengthen Indian rupee.

Regarding the gold import, I say though it is a laudable idea, it may not be possible for all the NRIs to bring the gold, as it is mentioned in the Budget, especially when we take into account the duty framework of Rs. 450/- per 10 grammes. I would ask why not we just encourage the legal import of the gold so as to plug all the loopholes for the smuggling of the gold. Now our requirement, as it is estimated is 200 tonnes of gold a year. Even now after this policy of liberalisation, I am of the view that we may require 150 tonnes for indigenous consumption. Therefore, we have to encourage the legal import of the gold.

This gold policy is a silver lining in our economic policy. But what about silver? Silver is now a scarce material and our position is very bad so far as our country is concerned. From the gulf and other countries, silver is being smuggled into India. that will get 100 per cent profit compared to gold. All the big companies, electronic companies are going for silver.

Therefore, the Government should also bring a policy with respect to the import and export of silver like gold policy.

Now those smugglers who seem to know that they will have no profit in gold have now turned to the silver smuggling and there are also big business people in this country who encourage such smuggling of silver to India to meet their requirements.

Therefore, I strongly urge the Government to adopt some policy or some measure to check this mugging of silver to our country.

Another point I would just bring to the notice of the Government is introduction of a new tax for the retail shops. The Finance Minister found a justification for it. In his speech, para 62 in part (b), I quote the finance Minister who said:-

"In a country with a population of over 800 million, hardly 7 million persons pay income and corporate tax. It is, therefore, necessary to attract new tax payers in the tax net. With this end in view, I propose to introduce presumptive tax system in respect of shopkeepers and other retail traders with an annual turnover below Rs. 5 lakhs. "

I say it is quite unjust and unfair on the part of the Finance Minister to bring the poor small retail shopkeepers under the tax. He has got several areas where he can travel. He is taking people whose annual turn-over is below Rs. 5 lakhs. But turn-over and the profit have no relevance as a matter of fact. There may be a turn-over to the extent of Rs. 5 lakhs. But it does not mean that he may get even 5 per cent profit. Even if he takes into account the fact that Rs. 5 lakhs will have 5 per cent profit, his annual income will be only Rs. 2000/-. The Government have given income-tax exemption to those whose annual income limit is up to Rs. 28,000/- This means, the salary or income of a person is Rs. 2300 per month. The small and petty shop-owners may not have income to that extent.

MR. CHAIRMAN: Shri E. Ahamed, please wind up. Your time is up.

SHRI E. AHMED: Whenever I speak, you will be there. This is the only excuse for me. (Interruptions) Therefore, even if he wants to bring in more people, as a matter of right the Finance Minister should not resort to this method of bringing the small shop-owners, retail shop-owners etc. into the tax ambit.

MR. CHAIRMAN: It is a voluntary deposit. [Translation]

SHRI E. AHAMED: It is not a voluntary deposit. It is a voluntary deposit, so far as the Finance Minister is concerned. But when it will go to the ground level, the rural level, the local level the officers will put all the pressure on such people because they want to be in the good book of their superiors. Therefore, it is not a voluntary one. It cannot be taken like that. Why should it be so?

Also, there are certain other things. This Budget has not provided anything special for the coastal people, people who are eking their livelihood through fisheries and such other things. I may say that the allocation for the rural development project in 1991-92 was Rs. 3520.24 crores. But in 1992-93, this has been reduced to Rs. 3113.25 crores. Why? The rural development programme is helping our poor people. How could the Government just reduce the allocation so far as rural development is concerned? Again, the allocation made under JRY programme in 1991-92 was to the tune of Rs. 2100 crores. But this year it has been reduced to Rs. 2046 crores. This is also a matter of great concern.

MR. CHAIRMAN: Please wind up now.

SHRI E. AHAMED: Before winding up, I would just like to say that liberalisation is something good for the country. But over-liberalisation is a dangerous phenomenon. What is our position? After this over-liberalisation, what is the position with regard to the tiny and small-scale sectors? They are to compete with the foreign investors and also the multinationals. Therefore, special protection should be given to the small and tiny industrialists in this country. Unless we do it, we will not be doing justice to this sector.

Finally, with these few words, once again I congratulate the Finance Minister for his commendable work which he has done in this regard.

SHRI ASTUBHUA PRASAD SHUKLA (Khalilabad): Mr. Speaker, Sir, while presenting the Budget the hon. Finance Minister had patted his own back himself and asserted very cheerfully that they would eradicate unemployment during the next 10 years. But it appears to me that the hon. Finance Minister has not shown any concern anywhere towards the growing unemployment in the country. He did not find out the factors leading to growing unemployment. It does not mean that no concrete efforts were made to eradicate unemployment during the period of 44 years of rule. Many ways were found out but the unemployment growth ratio is 10 times more than that of the population growth. When the Government provided means to eradicate 2 percent unemployment, the ratio of increase in unemployment remained two and a half per cent.

16.00 hrs.

We tried to provide employment in different ways in the name of Jawahar Rozgar Yojana, Self-Employment Scheme and Urban Employment Scheme. But what is the reason that we failed to check it anywhere despite our willingness? If the reason is found out, it becomes amply clear that the funds needed for a particular job were not provided. The industries should have been set up according to the demand and on the basis of production. We did not fix the target to set up those industries keeping that in mind.

16.01 hrs.

[SHRI RAM NAIK in the Chair]

Mr. Chairman, Sir, at the same time we did not keep it in mind whether we are making any arrangement to compete in the market or not. This is an age of publicity. Big companies prepare the people mentally to use their products through publicity on television and through advertisements in big newspapers. When we get up in the morning, we have tooth paste and brush in our hands. When we come out after brushing,

then we have the shaving cream, soap, blade and all the cosmetics in our hands made by the big companies. Our daily life begins with physical cleanliness and this publicity for us begins to work right from the morning. In this very House, when I was not a Member, but whatever information I have got is that once an effort was made—

16.02 hrs.

[MR. SPEAKER *in the Chair*]

that whatever items are produced by different industries will be produced by them which are reserved for them. This is India. The hon. Finance Minister says that they will eradicate unemployment. But I want to know whether the panacea in the form of multinationals suggested by you will allow the cottage industries and the small scale industries of this country to develop? Some people will get employment through these multinational companies but as compared to big companies the small scale industries provide 6 times more employment.

Mr. Speaker, Sir, I want to submit that there are 44 such pharmaceutical companies which manufacture such medicines as are banned in their respective countries because after the use of these medicines, people become physically and mentally ill. We have got a list. These multinationals are manufacturing items in our country and leave the country after minting money. These companies create differences among our countrymen. I want to ask from the hon. Finance Minister whether it is the fate of our country. Have you ever paid any attention to the fact that the farmer of this country is unable to buy wax for 50 paise to fill in inch deep chilblains in his feet even after 44 years of independence. Have you ever bothered about the farmer who returns in the evening from the fields after doing hard labour throughout the day and goes to bed after taking potatoes? Have you bothered about the farmer who celebrates festivals and marriage ceremonies under debt? The Indian farmer is not unlucky, neither he is unfortunate nor God is angry with him. If anybody is uncaring for him, if anybody has played with his fate,

it is the people who are sitting in this House. They have never kept in mind as to what are the necessities of the farmer and his son.

Mr. Speaker, Sir, I would like to submit that 80 per cent of India lives in villages and 80 per cent of the work force consists of the farmers. India cannot progress and cannot solve the perennial unemployment problem afflicting the country, till the policies are framed keeping in mind the need to encourage agro-based industries.

Destiny of India will change only when the industries are classified and there is coordination among them and agro-based industries are set up speedily to meet the demand and facilities are made available for the growth of cottage and small industries. But no such endeavour has been made in the current Budget and I do not know in which direction the hon. Minister of Finance wants to steer the country. Whenever new Government assumes office, need for basic changes in the education system are emphasised. The whole House gets engrossed in the task and ponders over the issue of the type of a new education policy needed for the country. Everyone talks of employment oriented education which is the need of hour in the country, but the allocation that has been made for it is insufficient. It has been a long standing demand that atleast 10 per cent of the Budget allocation must be made for strengthening education system in the country and to ameliorate the lot of farmers all amenities must be given to them. The day these turn issues are appreciated the fortune of the country will turn for the better. I oppose this Budget because it is anti poor farmer, anti labourer and anti student. I thank you for giving me an opportunity to speak.

SHRI B. BHARU LAL MEENA (Salumbar): Mr. Speaker, Sir, I would like to say a few words in support of the Budget presented by Shri Manmohan Singh on 29th February. Other hon. Members too have expressed their views, but without going into the usual formalities I would like to highlight the plight of poor in Rajasthan. On many an occasion I get quite agitated while narrating their plight and today also I want like to

[Sh. Bheru Lal Meena]

highlight their plight. There is a saying in Rajasthan which means that when the camel moves, the mouth of fox waters in the hope that the protruding lips of camel may fall and she may have a feast. Similarly, the people always keep craving for the happenings which may not take place in the normal circumstances. They live on false hopes. The poor keep on waiting expectantly for jobs and bread. While at the centre Congress(I) is in power, in Rajasthan B.J.P. is in the saddle. It is a common concern to make food available to the poor populace. Both the Congress (I) and the B.J.P. promised to make food supplies available after victory. But it seems to be a hollow promise. B.J.P. Government of Rajasthan says till the supplies are received from the Centre nothing could be done. (*Interruptions*) However, the Centre passes on the buck to make food supplies available on to the State Government. In this ongoing feud it is the people of the State who are suffering. I highlighted these issues in the last session and even earlier, but till date neither food supplies have been augmented nor relief works have been undertaken in the areas which are in the grip of drought. All the hon. Members are elected to the House in order to find ways to ameliorate the sufferings of the poor. I would like to highlight all these issues in the august House, with the request to the Central Government to increase the State's quota of foodgrains, so that those people atleast get one square meal a day.

Since only a few minutes have been allotted to me so I would like to conclude my speech in a few words. I support the new industrial policy of the Government. However an evaluation of the impact of privatisation may also be undertaken. I would like to cite a practical example. In my constituency Salumbar, district Udaipur, there is a Bajaj Group factory. Employees of the factory are meted out such inhuman treatment by the management of the factory that it is beyond description. Employees are being committed against them. I would like to bring to the notice of the central Government an episode of closure of the factory for 24

days by the management without any reason. On reopening when the workers made queries about the payment of wages for those 24 days, the President and other office bearers of the Employees union were given a severe thrashing. Not satisfied with all this the management incited the workers factions against each other. It is a well known fact that managements foment factionalism among workers so as to exploit them. As a sequel to the incidence of beating of the President of the Union, on 13th December out of resentment the workers went on strike. The strike in the cement factory, has entered 105th day today but nothing has been done to break the deadlock and also nothing has been done for the betterment of the workers. The State Government on being approached promulgated section 3, further instigating the workers. Instead of removing their hardships, the issue was further complicated. We should make efforts in the right direction lest it might happen everywhere. Such incidents may be witnessed everywhere, because private company proprietors will try to earn maximum profits instead of helping the workers. Entrepreneurs will go in for modernisation and thereby retrenching the workers. The country is already confronting unemployment problem and if workers are retrenched in a bid to earn maximum profits, what will be the fate of the workers? That 's why I have raised the issue concerning workers and farmers and I hope these will be pondered over by the Government.

In addition I had asked from the Central Government about the details of Statewise budgetary allocation and also special allocation funds made for the tribal areas. It is a general belief that budgetary allocation for the Rajasthan is quite less. Similarly allocation made by the Ministry of Welfare for the state is also less. I think if something is to be done in the matter of welfare of backward classes, in Rajasthan then the Central Government should make greater allocation for the state out of the total budgetary allocations. Justice should also be done to the State so far as exploitation of labourers and increasing foodgrains quota is concerned. I have already drawn the attention of the House to these issues.

I would like to highlight how the B.J. P. has misled the people of the country all along. Earlier the party misled the people by launching the movement for banning the slaughter of cows and later on undertook the 'Kalash Yatra' to mislead the people. Subsequently the BJP started worshipping the bricks and also launched the 'Rath Yatra' again to mislead the people. All of us must accept what has actually happened.... (*Interruptions*)

DR. LUXMINARAYAN PANDEYA (Mandsaur): Just confine yourself to the Budget.

SHRI BHERU LAL MEENA: They kept the country busy by raking up the temple construction issue and have led the nation on the verge of disaster. Construction of temple cannot satisfy the empty bellies. God dwells in the heart of everyone. Hanuman was also a great discipline and worshipper of Rama.....

MR. SPEAKER: Please do not go over to Ramayana etc. Time of the House is precious. Please conclude now.

SHRI BHERU LAL MEENA: I support this Budget, which is praiseworthy. With these words I conclude.

SHRI ANNA JOSHI (Pune): Mr. Speaker, Sir, I rise to express my views on the 1992-93 Budget presented here. Before I go into the details of this Budget, I would like to draw the attention to the House to the following astonishing facts. When the first Budget after independence was presented in this House, the deficit financing was of Rs. 1 crore and when this Budget for the year 1992-93 was presented, the deficit financing rose to Rs. 20,000 crores.

The wealth accumulated by the big houses or the industrial houses in the 80s was counted as Rs. 6541 crores and in 1991-92 the same figure has gone up to Rs. 50000 crores. The number of people below the poverty line has gone to 42 crores and the number of unemployed persons is nearly seven crore on record and nearly five crores people from the rural areas have not listed

their names in your employment exchange registers. All these figures show that right from the independence days to this date all the five year plans, the money you have borrowed and spent on these schemes have gone to the drain. The final picture is that our mother land is standing at the doors of the foreign countries with a begging bowl.

They indulge in tall talks; but they do not practise them.

I will remind you that on 24th December 1991 there was a meeting of the National Development Council here and our hon. Minister and the Chief Ministers asserted that there should be at least ten per cent cut in the expenses of the State Governments. But on 31st December, that is exactly after one week, our Chief Minister goes from here to Nagpur and there he expands his Cabinet! Crores of rupees of increase in expenditure is there in Maharashtra State.

When we talk of corruption the Government challenges us to give an example so that they can see as to how they can eradicate corruption. 45 Members of this House have given a memorandum to the Prime Minister, who is also holding the portfolio of Industry. We have requested him that permission should be given to prosecute the higer-ups of Maruti Udyog Ltd. against whom CBI has made investigations into 17 corruption charges. We have got a number of charges against them and we want to prosecute these gentlemen. But four months have passed; neither the Prime Minister nor the Minister of State for Industry gave consent. I will give one example of the corruption. Seventy Maruti Cars started from Gurgaon factory. They were to be transported to the show-room of Maruti Udyog Ltd. in New Delhi. But those seventy cars have never reached the show-room. Where have they gone?

What is the amount? How is it adjusted? Who is responsible for it? Nobody knows these things.

In 1983, they have imported the spare parts worth Rs. 150 crores. Right from 1983 till 1992, for the last nine years, those 2,000 boxes are lying there. Who has brought

[Sh. Anna Joshi]

these spare parts? Where are they to be used? Why are they not being utilised? Why those boxes were not opened? All these charges were made. Then, the CBI has gone into the details of it. They have got the proof and they have appealed to the Government, to allow them to prosecute these persons. But, they have not done. There are so many examples like that.

It seems from this also that the Government has not acted on whatever promises it has given to us, to the poorer section, to the rural section. I have got the figures here. They have not given even the amount which they have given last year. I will point out something from the Book, 'Budget at a glance'.

For the PDS about which the Prime Minister always talks that we have to improve the public distribution system, last year the allotment was Rs. 18 crores. Now, it is only Rs. 10 crores. Why it is less? It is nearly half of what they have allotted last year. Why is it so? Similar is the case with small scale industries and agro rural industries.

Last year it was given Rs. 350 crores. This year, it is only Rs. 335 crores. Why? There are so many figures like that.

The tragedy of the Budget is not only that. If you cannot give anything to the poor people or to the lower middle class people, at least you should not take away what has been given by the predecessor, to them. But, you have done that also. It is expected from a gentlemen that if he cannot give anything, he should not take away what has been given to him by some other person. I will tell to the hon. Finance Minister that increase in income tax slab from Rs. 22,000 to Rs. 28,000 is not sufficient. It is a technical rise. Therefore, we request that it should be increased to Rs. 48,000; and restore the concessions given under sections 80L, 80CC(a), 80CC(b) of the Income Tax Act.

Secondly, clubbing the income of the

minors with that of the parents is a very harsh provision and that should also be deleted.

Thirdly, in the Budget speech of the Finance Minister, in Paragraph 94, he has said that he wanted to boost the housing for the weaker sections and therefore they have brought down the excise duty on building materials from 15 percent to 5 percent. The corrugated sheets, cement pipes are manufactured by SSI units and they are not exempted. The excise duty is not reduced in their case. They are part and parcel of housing facility; and therefore I will request the Finance Minister that concession should be given in this case also.

Fourthly, I will say about small saving schemes. In foreign countries, the Government takes care of the retirement, old age, unemployment, sickness, handicapped, etc. But, in our country, we have to make provisions for ourselves-for our old age, for our sickness etc. The small savings business is a very good business. It is a way of self-employment. Lakhs of people throughout the country are self-employed like this. I want to impress upon the House that 80 per cent of the agents are ladies; they are from rural areas; they are earning something. While they are earning, they are giving you crores of rupees. But, you have not given any concession to them. So, that should also be given to them.

Lastly, to have the foreign reserve fund for our country, you have exempted income tax from the income earned by exporting. At the same time, you have not exempted projects which are completed abroad. On their income, the income tax of 50 per cent is there. Therefore, I request you to consider both the income tax sections 80 HHB and 80 HHC on par.

SHRI MANI SHANKAR AIYAR (Mayiladuturai): Mr. Speaker, Sir, I rise to support the budget presented to us by the Finance Minister. We are faced with a curious conundrum. While the country applauds the proposals that have been placed, the Opposition seeks to deride them. Yet in a parliamentary democracy, it is important

that we do not allow our ears to be deafened by the applause of the people. It is also necessary to attempt to respond to the Opposition's concerns. I believe, it is particularly important at this juncture to respond to these concerns because the economy of this country is at its most crucial turning point since Pandit Jawaharlal Nehru and the Indian National Congress declared the objective of our party, our Government and our country to be the establishment and maintenance of a socialistic pattern of society.

The question is: Are we abandoning the path of a socialistic pattern of society? Now our friends of the Left, particularly our friends of the colour red, who condemned Panditji at the same time of Avadi, who derided the concept of the Socialistic pattern of society, when it was first enunciated and who pretended for years that we were only a bourgeois democratic party and not a socialistic party, have suddenly become the greatest votaries of the Nehru model and of the Avadi pattern.

Now it is a good thing that knowledge has come to them at long last. But in the process of their getting enlightened, I think, it is extremely wrong with them to suggest that we are getting benighted. What is our socialism? Our socialism is certainly not the socialism of the Communist Party of India, Communist Party of Marxists Communist Party of India 'A' to 'Z'. whatever letters they will choose. Why? Precisely because from the beginning, Panditji saw that the fault with the communist version of socialism is that that version was dogmatic and doctrinaire. Now we find that 30 years later, 30 years after Panditji's demise that the God of the Communists has been discredited, the book of the Communists has been discarded and the Prophets of the Communists have been disavowed. That is why our socialism is not the socialism of the Communists. Our socialism is not an imported ideology. Ours is an indigenous socialism. That is why it is an authentic socialism.

What is the leading characteristic of this authenticity? It is that our socialism is both flexible and adaptable. We build on our successes. We do not, like the Communists,

have a vested interest in poverty. We have an objective and a methodology.

What is the objective of the socialism of the Congress Party? I think, it can be resumed in one phrase: 'the elimination of poverty'. And how has this been presented to the country? Not for the last ten years and twenty years, I am talking about the last seventy years. Mahatma Gandhi began it by saying that our socialism is the worship of the Almighty as Daridranarayana. Panditji described it as the building of the modern temples of India. Indiraji said 'Garibi Hatao'. And Rajiv Gandhi said that we will place the elimination of poverty at the focal point of our economic policy.

SHRI SAIFUDDIN CHOUDHURY: In this year's budget, the word 'socialism' is not there.

SHRI MANI SHANKAR AIYAR: If it is not there and perhaps you are right, I deride it. We will come to that in a minute. First, I want to understand and explain what is the objective of our socialism. Now I want to explain what is the methodology of our socialism.

SHRI SAIFUDDIN CHOUDHURY: All right.

SHRI MANI SHANKAR AIYAR: I would like to quote the greatest socialist of all that our country has produced Jawaharlal Nehru.

He was the President of my party and the first Prime Minister of this country. Panditji had put in his words the methodology of our socialism at the All India Congress Committee meeting in October, 1951 and I quote his words:

"The only test of any system that we apply is results. To what extent there must be a public sector or a private sector must therefore be judged by results."

Panditji said this in 1951.

And now, let us apply this test to the Budget and the economic policy which thi

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Budget represents after 41 years in 1992. The economic reforms which the Government has now initiated, Sir, are not the outcome of the current economic crisis. They would have been undertaken anyway and they were presaged in the manifesto of the Congress Party both in 1989 and 1991. In the 1989 manifesto, we specifically stated that efforts would be made for spurring production, efficiency, competitiveness, we will remove bureaucratic controls and confine to State control only those areas which are important strategically and will be undertaken selectively and done only when needed. Our manifesto in 1989 also said that our entrepreneurs would be freed to concentrate on generating wealth and jobs and not answering queries from bureaucrats. We did not come to power then. In 1991, when we fought another elections, our manifesto specifically stated and pledged the gradual withdrawal of the public sector from all areas where the private sector or the joint sector have developed capabilities. Therefore, these reforms would have been undertaken whether we had a crisis or not. But the total mess of the economy made by the V.P. Singh Government and then by the Chandra Shekhar Government made these economic reforms a matter of imperative necessity.

SHRI ROSHAN LAL: What did the Congress do for 43 years?

SHRIMANISHANKAR AIYAR: I am just going to the answer to your question. The key elements of the structural reforms which we are currently undertaking fall on two specific points. The first point is tackling the immediate crisis. The second point is setting course for the next phase of development.

Now, in regard to immediate crisis, the crisis which we faced in essence was the crisis of external equilibrium. This crisis has been brought about, as has been mentioned by our opponents, by a very large increase in our external public debt. That is the basic cause. But when we undertake debt from others, we do it in the confidence that we will be able to repay it. When Rajiv Gandhi found

in 1985 and 1986 that out exports were not rising to a level commensurate with the rise in our public external debt, he buckled down to the task of seeing that our exports from India increased not less than 17 per cent in dollar terms and not in rupee terms. 17 per cent sustained on an average over three years not in rupees terms but in dollar terms. That is what is called crisis management.

There was only one big mistake that Indiraji and Rajiv Gandhi made in contracting this external debt. The mistake was that they did not foresee that we would have a V.P. Singh Government and then we will have a Chandra Shekhar Government. They did not foresee that the communists and the communalists would cohabit in order to keep the V.P. Singh Government in power nor did they foresee that we would support a Government that was in a hostage to two constables from Harayana. (Interruptions)

SHRI ROSHAN LAL: On what basis is he making these charges? (Interruptions)

SHRIMANISHANKAR AIYAR: I want to make it abundantly clear that we do not share (Interruptions) will you please sit down? I have not yielded to you. Sir, I appeal to the Chair for protection. (Interruptions)

MR. SPEAKER: Please sit down.

(Interruptions)

MR. SPEAKER: This is a forum for criticising the Governments. You should understand that.

SHRI MANI SHANKAR AIYAR: Sir, I say this with pride that the Congress Party does not share the phobia of the communists about the World Bank and the International Monetary Fund. We are proud of being founder members of both the World Bank and the IMF and it is we, and not anybody else, who have sat with our partners in the World Bank and the IMF and negotiated the Articles of Association as also the determination of the loan categories, of the loan conditionalities and the loan procedures. And these are the same for all borrowers.

These are the same for developing countries as or developed countries. When the United Kingdom was required to take a loan from the IMF and the world Bank, they faced the same kind of conditionalities which we faced. We do not have that phobia. And the reason why we do not have that phobia is that we never had the KGB to pick up our bills. We knew that we would have to go to the World Bank or the IMF.

SHRIMATIMALINIBHATTACHARAYA: Sir, this is objectionable. This kind of a statement should not be made.

SHRI MANI SHANKAR AIYAR: All right Madam. I will say, 'Until it is established. (Interruptions)

SHRIMATI GEETA MUKHERJEE: The question about the KGB is being heard now. Why not during Rajiv Gandhi's tenure? Why not during Indiraji's tenure?

SHRI MANI SHANKAR AIYAR: I will reply Madam. One, we did not know. Two, you were making false allegations against our Government.

The causes of our balance of payment problem are, as Mr. George Fernandes pointed out, due to events that were outside our control. There was a war in West Asia. There was a rise in petroleum prices.

But when we are faced with a crisis, what should be the responsibility of a responsible Government? Rajiv Gandhi's Government was faced with the worst drought of the century in 1987. It was the year when our friends over there, who were objecting to my referring to the KGB, were making false allegations against my leader at that time. Instead of wasting his time on all these petty political matters, he addressed himself to the drought. The result was that for the first time in the economic history of India, we emerged from a drought with a positive rate of growth! And what did they do? One was going around saying 'Mandalam, Mandalam' and the other chap was going round singing 'Ram Janam'. 'Ram Janam'. This is the irresponsibility of Mr. V.P. Singh's Government.

SHRI ROSHAN LAL (Khurja): Sir, I am on a point of order. He was referring to Mandal Commission. He should know that the Commission was set up. (Interruptions)

MR. SPEAKER: What is your point of order? Do you understand what a point of order is? Where have we committed the mistake in following the procedure? Please let me know. Please do not raise such kinds of points of order. Your point of order is out of order?

SHRI MANI SHANKAR AIYAR: Mr. Speaker, Sir, what the Finance Minister has achieved in the course of the last eight months is that he has converted a crisis into an opportunity. He has restored our reserves. He has re-established our credibility in the world. And he has converted a chained mouse into an uncaged tiger. While the whole world roars with approval, Mr. George & Company squeak their obsolete *mantras*!

Secondly, we have set the course for the next phase of development. In the first phase, we inherited a colonial economy. It was an organised sector dominated by foreigners who were used to combining both economic power and political power. At that time, we had a tiny indigenous capitalist class who were mostly traders, monopolists and if I might use one of our friends' favourite phrases, 'compradors'. There was little industry, low technology, low saving and low investment. There was no special attention paid to backward areas. There was little professional management. There were inadequate technical skills both of a qualitative and quantitative nature.

Therefore, our task at that time was two-fold. One, to dismantle the colonial economy and the second to inaugurate a new era of modernity. We have dismantled the colonial era. Where are Andrew Yule, Mackinnon Machenzie, Gillanders Arbutnot and Dunlop? They are here. But they are all in Indian hands.

There are lakhs of new entrepreneurs in this country, tiny, small and medium. The colonials have been driven away by Govern-

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ment action as well as private enterprises.

And the second major thing that we had to do was to inaugurate a new era of modernity. That is why an arrowhead role was assigned to the public sector. The commanding heights of our economy do not have to be captured. They have been captured. There are hundreds of public sector units including several which are extremely efficient. We had need at one stage of an infant industry protection. We still have it sectorally but by and large, the country needs to move from the phase of infant industry protection to grown up industry assertion.

We have built up a huge small and medium sector by giving incentives and subsidies. It is time to see whether we can enable them to stand on their own feet. We have had over the last 43 years, and I will answer my friend's question, here development and diversification of enterprise of management skills; of technical skills; of backward areas and of indigenous R&D. Our savings rate is the highest of any developing country in the world. We have a self-confident and grown up economy. I will give you two types of proofs.

One is, that our small scale industry has totally beaten the multinationals. Nirma, produced by a small scale industrialist, Kersan Bhai Patel, has thrashed Surf produced by Uni Lever. Our Rasna produced by a small scale industry has beaten a multinational product 'Tang'. Our little Onida and Videocon have grown to such a level that Phillips, a multinational giant has ringed in front of Indian enterprises.

And when it comes to the public sector, our Maruti of the public sector has ousted the private sector Hindustan Motors. Our Indian Telephone industries is standing upto Alcatel. C-Dot has outclassed IT&T. Our HMT is taking on Titan.

Our public sector is mature. Our indig-

enous private sector is mature. There is no point in our hindering and cringing and having an inferiority complex. In the present phase, we must build on past successes. That is the essence of the Nehruvian model, that is, building on successes and not weeping about failures. We must harness the burgeoning talent of this country to growth that is the message of Shri Manmohan Singh's Budget.

We on the treasury benches trust our people and have confidence in our country. The Opposition does not trust our people and has no confidence in our country. Our nation cannot be built on a lack of confidence; on an inferiority complex and on crutches. That is why the world and our country is today applauding Shri Manmohan Singh. And if Atal ji sees in our Finance Minister only *mohini* while we see in him our saviour, that is doubtless because the Opposition is full of ** and our treasury benches are full of **. In Conclusion I would like to make very very quickly, a few specific remarks. One is that the Finance Minister has conceded that agriculture is the bedrock of our economy and has made several concessions of a fiscal nature for agriculture as well as announced the establishment of a small Farmers Agri-Business Consortium. However, he has totally ignored the Blue Revolution. I would like him to please clarify that aquaculture is a part of agriculture and to agree to treat aquaculture at least provisionally on par with agriculture until our Agriculture Minister gets around to announcing a National Aquaculture Policy and establishing a National Aquaculture Board. In the interim at least, MPEDA, Marine Product Export Development Authority, must be included in the proposed Consortium.

Secondly, in regard to Vanaspati I shall try to say whatever I in one sentence and send the details in writing to the Finance Minister. I assure him that if he doubles the excise rebate on Vanaspati production of minor oils in this country will be doubled and that will save us Rs. 300 crores in foreign exchanges. I am offering him the savings in

**Expunged as ordered by the Chair.

foreign exchange within the next 12 months if he doubles the excise duty rebate.

There is an anomaly. Sir, he has treated Polypropylene on a different footing to Polyethelene and Nylon Filament Yarn. I would request him to kindly remove this anomaly.

In conclusion, Mr. Speaker, Sir, I would like to draw the Finance Minister's attention to two major lacunae in his speech.

One is, he has- this where I agree with many Members of the Opposition, including that intellectual giant Shri George Fernandes, who calles me *buddhijeevi* as if that was a word of abuse- made this point. Well, I wish to stress the point made by the *buddhijeevi* Shri George Fernandes that it was a mistake on the Finance Minister's part not to have mentioned education. I would request him and through him, the Prime Minister to please immediately call a Meeting of the National Development Council to endorse a target which we have had in principle in the Government of India for more than 20 years and that is that six per cent of our Gross Domestic Product must be devoted to education by the end of the 9th Plan. And the second major lacuna in the Finance Minister's speech is that he has made no mention of Rajiv Gandhi. If Rajiv Gandhi has not been there, this Budget would not have been there.

MR. SPEAKER: There is one thing which I would like to bring to the notice of the Members. The time available to the Members is very very limited. Please, you can leave aside the preamble and prefaces and come directly to the points so that most of the Members can be accommodated. Now, Shri Vijay Kumar Yadav.

[Translation]

SHRIVIJAY KUMAR YADAV (Nalanda): Mr. Speaker, Sir, the hon. Members belonging to the ruling party are showering praises on this Budget, terming it as bold, historic, revolutionary, one aimed at opening a new chapter in the country's history and giving a

new direction to the nation.

Congress Party Members used similar epithets for earlier Budgets also, which were fundamentally different from the present one. There is hell of a difference between this Budget formulated on the basis of economic and industrial policy being pursued by the present Government and the policies propounded and followed by Pandit Jawahar Lal Nehru and Shrimati Indira Gandhi. High-sounding epithets were used for the earlier Budgets, which aimed at keeping the Multi-national companies at a distance; which opposed dependence on foreign investment; which believed that acceptance of I.M.F. and World Bank conditionalities tantamounted to economic subservience; which talked of economic self-reliance; which talked of talking the Public Sector to commanding heights of the economy; which laid stress on agriculture; which talked of checking unemployment; which recognised the importance of rural development; which laid stress on the development of indigenous technology; which talked of eliminating poverty and establishing socialism; and which did not look upon western economies as suitable models for the country.

Similar adjectives are being used for this Budget, which is nothing but an abject surrender before the World Bank and the I.M.F.; which has been formulated on the basis of the conditionalities placed by these bodies; which has paved the way for the influx of foreign capital; which has given access to the Multi-national companies to loot the country and systematically destroy the technical and allied advancement made by the country; which in the name of competition, intends to make the country dependent on foreign countries, instead of laying stress on self-reliance; which has neglected agriculture and rural development; which has ignored the unemployment problem and dealt a severe blow on cottage industries.

They do not have a rational explanation for this charge. At least, they should concede that so far they have been following wrong policies. Now these people are talking of opposing socialism tooth and nail and of

[Sh. Vijay Kumar Yadav]

dealing a death blow to it. Pandit Jawahar Lal Nehru too talked of scientific socialism and was all praise for it. Today those people, who chant his name day and night are also speaking against it.

At the time of assumption of office, the Government gave an assurance that petty party considerations won't come in the way of solving the crisis confronting the nation and that national policies would be formulated through consensus. The opposition parties welcomed this assurance on the part of the Prime Minister and promised their fullest co-operation to solve the outstanding national problems and also offered their services to the Government in this regard. When the Government announced its new economic and industrial policy, it was vehemently criticised throughout the country. The well-wishers of the nation including the leaders of opposition parties the intellectuals and the common people opposed these policies tooth and nail, but in utter disregard to the feelings and sentiments of the nation, the Government did not pay any heed to these criticisms at the time of formulating this Budget. Instead of finding a solution to the country's economic crisis, keeping in mind the sentiments and wishes of the people, the Government completely surrendered itself before the I.M.F. and the World Bank. It is indeed a very dangerous step. The Government may be happy with this decision, but its fall out is bound to be disastrous. The Government should seriously ponder over the consequences of this Budget and think as to whose interest it has served to protect. This Budget has served to protect the interests of the private sector, the Multinational companies and Non-Resident Indians, but it has neglected the interests of 80-85 per cent of our population including the common man, the labourers and the farmers. While the benefits of this Budget has gone to a handful of people, the responsibility of solving the economic crisis faced by the country has been put on the shoulders of the neglected majority.

It is being said that a period of three

years is required to solve the country's manifold problems and that the coming days would be crises-ridden, but I would like to know whether on whose shoulders the Government proposes to put this burden. The man on the street is told that he would have to sacrifice a lot to rescue the nation from the clutches of this crisis, but a miniscule percentage of the country's populace is benefiting from it, to whom no appeal is being made to make sacrifices. Both the Prime Minister and the hon. Minister of Finance are indulging in an exercise of self-adulation and the man which did not look upon western economies as suitable models for the country.

It is being said that a period of three years is required to solve the country's manifold problems and that the coming days would be crises-ridden, but I would like to know whether on whose shoulders the Government proposes to put this burden. The man on the street is told that he would have to sacrifice a lot to rescue the nation from the clutches of this crisis, but a miniscule percentage of the country's populace is benefiting from it, to whom no appeal is being made to make sacrifices. Both the Prime Minister and the hon. Minister of Finance are indulging in an exercise of self-adulations and the hoarders, the tax-evaders, the black marketeers and the people at the I.M.F. and the World Bank are not lagging behind in patting their backs. They have joined hands and are showering praises on the Budget saying that the entire country is welcoming this Budget with open arms. I would like to tell the hon. Minister of Finance that this Budget is being opposed tooth and nail throughout the country, in cities, rural areas and agricultural fields. You just cannot laugh away this matter. We, members of Parliament lead very convenient lives at the cost of the common man and this Budget has brought about untold sufferings to the common man and in the near future this protest is bound to assume gigantic proportions.

No facilities are being provided to the common man. Just have a look at their miserable conditions; its going from bad to worse. The Government says that it wants to bring about structural changes, so on and so

forth, but I would like to say that history and past experiences speak volumes of the disastrous consequences of falling upon the I.M.F. and World Bank Latin American and African countries are striking examples of the fact that whosoever falls into the trap of these international financial institutions, become heavily dependent on imports. Inflation has touched all time high and development has come to a grinding halt in these countries which have fallen in this vicious debt trap. They have even lost their political sovereignty to a great extent. Economic slavery stares us on our face and it seems that we are on the verge of losing our political sovereignty too, under the pressure of accepting the conditionalities put down by these institutions.

Mr. Speaker, Sir, I would like to say that we still have some time at our disposal and we should cash in on it and withdraw this Budget and present a vote on account for a period of 3-4 months. The Government should think in terms of formulating and presenting a new Budget, after taking into confidence the various parties represented in the Parliament (*Interruptions*)

MR. SPEAKER: Now, please conclude. All the parties, except the Congress have exhausted their time.

The time allotted to your party is already over. Your Party was given more than an hour's time.

SHRI VIJAY KUMAR YADAV: It is a very generous act on your part. I shall take only two three minutes more. I would like to say that this Budget contains no provision for removing regional disparities. The State of Bihar, from where I come is the most backward in the country and keeping this factor in mind, the State Chief Minister, in his meetings with the Prime Minister and Finance Ministry officials as well as at Chief Ministers' conferences has been repeatedly calling for the elimination of regional disparities. It is my humble suggestion that the existing formula of allocation of funds to the States should be scrapped forthwith and a new formula based on population and area should be prepared

and implemented. Bihar should be provided with the requisite assistance on the basis of such a formula.

Bihar is a vast State with immense natural resources. The entire country benefits from them, but Bihar itself remains hungry, poverty stricken and underdeveloped. I would certainly like the Government to ponder over this matter. With regard to the income tax limit, I would like to say that it should be raised to at least Rs. 36,000 and so far as the Government's apprehension that the States stand to incur losses on account of it is concerned, I would suggest that it can increase the tax imposed on income above Rupees Five lakhs, and thus cover the losses, whatsoever.

The Government is making very little progress in the field of land reforms. Land Ceiling should be lowered and Government should take steps to plug the loopholes in land reform laws, which are being misused by the landlords to the disadvantage of the landless, who are being deprived of land in the process. Along with this, the Government should also take steps for the delimitation of urban property.

Lastly, I would like to say that the Union Government should make provision in this Budget for a fund to provide relief to those affected by terrorist activities and communal riots. This Government fund should be utilised to resettle and provide a minimum compensation of Rupees two lakhs to the dependents of the victims of communal riots and terrorist activities. With these words, I once again oppose this Budget.

[*Translation*]

MR. SPEAKER: The hon. Finance Minister will give reply at 6.00 P.M. No party except the Congress Party has saved the allotted time. Secondly, I have a list of all those Members who had spoken on the Motion of Thanks on the President's Address. If they are not allotted to participate in this discussion then others could get a chance.

(*Interruptions*)

MR. SPEAKER: Please sit down. You have spoken on the President's Address. Now you cannot speak on this subject.

[English]

You will please understand that, accommodate and cooperate.

SHRI SUNIL DUTT (Bombay North East): Mr. Speaker, Sir, I rise in support of the Central Government's Budget for 1992-93 presented in this House by our Hon. Finance Minister Shri Manmohan Singh.

I start my deliberations with a quotation of his Budget speech.

17.00 hrs.

I quote: "This budget represents a contribution to the successful implementation of this great national enterprise, of building an India free from the fear of war, want and exploitation, an India worthy of the dreams of the founding fathers of our republic. We shall pay any price, bear any burden, make any sacrifice to realise those dreams. India is on the move again. We shall make the future happen."

Sir, these expressions are not only of the Finance Minister of India but ones are coming from the heart of that citizen of India, who has a great love for the country, who is a great nationalist and a great patriot, who has a burning desire to see our country grow economically so that the poorest can reap the harvest of economic growth. The people, who have a vision of great India, the people who want our country to grow economically, socially, politically, culturally, as an independent nation must support this Budget and support this great Indian, hon. Manmohan Singhji. I am reminded of a Urdu couplet about him.

*"Hazaron saal nargis apni benoori pe
roti hai,
badi mushkil se hota hai, chaman mein
deedavar paida."*

I complaint our hon. Prime Minister Shri

Narasimha Raoji, who after long years of Shri Manmohan Singhji's services to the nation, realised his capabilities and visions of economically sound India and handed over the economic future in his capable hands. I can only say, on my behalf, the slogan that we usually say during elections.

*"Manmohan ji aage barho, hum tumhare
saath hain."*

The hon. Finance Minister has meticulously presented the problems in his budget and tried to solve them. He took care of the people from all walks of life. These are all embedded in our manifesto, which was designed and conceived by our great leader Shri Rajiv Gandhi.

He thought of shop-keepers. It was a great incentive he gave to the shop-keepers who are doing a business to the tune of Rs. 5 lakhs; they can pay Rs. 1400 and live in peace and sleep in peace. He thought of the handicapped people and he gave concession to the parents of the disabled to the tune of Rs. 12,000. And above all, the most important thing is that he took care of the women, the neglected lot of our country, and gave a tax deduction to the tune of Rs. 15000 to women who are earning an income of Rs. 75,000 (*Interruptions*)

SHRIMATIMALINIBHATTACHARAYA (JADAVPUR): It is only to women tax-payers. How many women pay taxes in our country? (*Interruptions*)

SHRI SUNIL DUTT: He has given concessions to old women also. He thought of the old people who are above 65 years. He thought of the artistes, performers. He thought of gas victims. He thought of medical care and treatment of the people. He thought of the public sector employees. And he thought of double taxation.

Not only that, on the gold that was being smuggled in and out, he has put a full stop by allowing people to import 5 Kg. of gold. He thought of many other industries. He thought of petro-chemicals, oilseeds, pesticides, asbestos, cement industry and for capital

goods he reduced the duty on them from 80 percent to 60 percent. For electronics, he reduced the duty from 60 percent to 50 percent. He thought of the housing sector, agriculture and industry.

Above all, I compliment the hon. Finance Minister for his visionary outlook when he saw to the problems of the people from all walks of life. He saw the problems of the industry, agriculture, electronics, culture and the heritage of India. And in this Budget, he tried to come out with great incentives.

A Budget is a Budget. It is not a religious book that one cannot criticise. I admire the opposition leaders for their criticism and suggestions to improve upon it. It is a saying:

[Translation]

The more we process gold, the more it glitters. We are grateful to the Opposition parties for helping us acquire more glitter.

[English]

The more you will criticise us, the more we will improve. But it is a bane, it is very painful to us when eminent leaders of the Opposition parties say that we are selling our integrity to World Bank and the International Monetary Fund.

I would like to tell the hon. Members of the Opposition that they are not the only people who are concerned about the integrity and the dignity of the country. All the hon. Members on this side also are equally committed to the national integrity, and if we feel at any time that our national interest and national integrity and the honour of our country is being put at stake, we will all be the first people to criticise our own government. We assure you that the future of India and its honour are in safe hands. I believe in this:

*"Mere mehboob mere vatan tujhpe
kurban main janneman.
Sikh, issai majbut baaju tere, Hindu
Muslim hain tere hain."*

As long as this feeling is there in all of us,

our India will become the India of our dreams.

The hon. Minister has increased the exemption limit of income-tax from Rs. 22,000 to Rs. 28,000. I have my submission that because of the devaluation..(Interruptions).

An hon. Member: Inflation also.

SHRI SUNIL DUTT: Inflation is definitely there. You cannot help it. Even he admitted that it is there. You cannot deny this.

And, Sir, because every member of the family is not an earning member in our indian society, therefore, the limit should be raised to Rs. 36,000.

All those schemes to invest your money in LIC, UTI, National Saving Scheme and other Funds, interest on fixed deposits in banks, UTIs and dividends on company shares under sections 80CCA, 80CCB and 80L have been abolished. One can only get rebate up to Rs. 10,000 under section 88. The withdrawal of these exemptions under sections 80CCA, 80CCB and 80L will kill the urge in the people to make savings for investment and will result in the decline of the resources of the financial institutions for development. The retired people and widows whose source of livelihood is only investment, will find the abolition of tax concessions under section 80L as more agonishing. Therefore, my submission is that the tax exemption under section 80L should not be withdrawn and deductions under section 80CCA in respect of investment in NSS and under section 80CCB for investment in equity linked savings schemes of Mutual Funds be continued.

Sir, the hon. Minister was kind enough to take care of the smokers and he has put certain levies on filtered cigarettes. Because he is not a smoker, so I want to bring to his kind notice that the non-filtered cigarettes are more injurious to health than the filtered cigarettes. So, I feel that if the filtered cigarettes are exempted and the non-filtered cigarettes are put under levy, that will be far better.

[Sh. Sunil Dutt]

I would like to read out para 85 of Part-B of the Finance Minister's Budget Speech. It says: "Films in our country have become an important vehicle of national integration. I have therefore to worry about the economic health of this important industry. In order to give relief to the film industry, which is facing increasing competition from cable TV and video, I propose to reduce the import duty on unexposed colour negatives of cinematograph film by 20 percentage points from the existing level. The loss of revenue involved in the proposal is Rs. eight crores."

On behalf of the film industry, I would like to convey my thanks to the hon. Minister. Perhaps this is the first time that the Government has appreciated the importance and contribution of the Indian Cinema towards the unity of the country, national integration and secularism in this great august House. On behalf of the film industry, I would like to assure this august House that for any service towards our nation, towards our country and its people, the film industry will always be at the command and the service of the nation.

This compliment to the film industry has come after many years. I wish you would have been a Finance Minister thirty two years ago. I am reminded of a couplet. I would like to tell it to you on behalf of the film industry:

*"Kahan the aap, zamaane ke baad aaye ho,
Mere shabab ke jaane ke baad aaye ho."*

I wish someone like you was there thirty two years ago when there was no video, no video piracy, no cable TV, no CNN TV, and no Star TV. Now we have to compete with all these. If there is no tax relief to the industry, the future is dark. You, Mr. Minister, want to give economically bright future to India. Therefore, this industry deserves some share of light.

Out of more than Rs. 32,000 crores of

foreign exchange being allotted to various trades, we want only Rs. 75 crores. I am sure you will not be stingy towards the Indian cinema.

I would now like to come to the Annuities scheme for the film artistes. As you all know, the life of stardom of the movie artistes is limited. Their peak period is about ten years and even less in case of lady artistes. In the case of other professionals like doctors, architects, advocates etc., it is not the same. The more they gain experience, the more they have the capacity of earning. Therefore, for the future of the artistes, the Annuity scheme was started and the artistes received annuities in lieu of their remuneration. Till 1975 these annuities were excluded from the definition of 'Assets' and this did not fall in the purview of wealth tax. In 1975 this scheme came in the purview of wealth tax, whereas the other professionals are excluded from wealth tax. Therefore, I request that this sort of disparity should not be there towards the movie stars because they are also professionals.

The film industry provides jobs to about one million people. It supports Doordarshan also. It provides revenue to State Governments in the form of entertainment apart from other Central taxes. The industry works for national integration. The industry entertains and soothes the hearts of millions of people of our country. There are so many film magazines and even daily papers which devote much space to this industry. Now that industry-till today- depends on imported raw stock-both negative and positive. In the year 1960 the Hindustan Photo Films was started in Ooty to manufacture raw stock of negative and positive films. This was 32 years ago. That is why I wanted you to be the Finance Minister 32 years ago. The film industry has now become old. But not a single foot of raw stock is manufactured by H.P.F. at Ooty. That is why I said:

*"Kahan the aap, zamaane ke baad aaye ho,
Mere shabab ke jaane ke baad aaye ho."*

[Translation]

Now that you have come, please solve our problem also.

[English]

The Hindustan Photo Films has already hiked the price of raw stock(positive) by 14 per cent. There is a rise of Rs. 378 on every 1000 feet roll. We need about 16 one thousand feet of roll. That makes the print costlier by Rs. 6,048 for one print. We release about 100 prints. of each film. That makes the extra burden of Rs. 6.04,800 to the people of this industry. The benefit of the 20 per cent reduction that you gave on jumbo rolls last year is not coming to the film industry. That is how that H.P.F. is adjusting its losses. I request you to please you give us this benefit of 20 per cent reduction directly and break this monopoly. I request you to tell Shri Thungan, Minister of State for Industry to close down this public sector undetaking.

In para 87 of your speech you were very kind to the newspaper industry. On that day of your speech I found many of them in the gallery. Now there are not so many of them there. You have fully exempted the standard newsprint from customs duty. You have exempted glazed newsprint also from customs duty. I think the difference comes to Rs. 3 crores. I feel that we also deserve this concession.(Interruptions)

MR. SPEAKER: Please don't respond to the people who ask you questions.

SHRI SUNIL DUTT: I have to because he is my leader and General Secretary.

MR. SPEAKER: Outside the House. In the lobbies you can do it.

SHRI SUNIL DUTT: Sir, lastly I would like to say that our hon. Minister in para 60 of his speech said that the 'child is the father of man.' Sir, this is an English proverb. It can be applicable to the European children because they teach every child how to become independent and they become independent at that a very young age, and they have no

problem of their marriage or anything. And this proverb does not suit the Indian environment and Indian Culture. Here it is a very important thing for the parents to bring up their kids, it is very important for the parents to see to it that their daughters are married and that is why the middle class people and upper class people reserve their funds for the marriage of their daughters and for the education of their children. Therefore, Sir, I feel this proverb does not benefit the Indian environment and to the Indian culture and this tying up of the income of the infants and children with the income of the parents, I think, is a great set back for those people who are middle class and the growth of their children. How many people are there in our country who can adjust their money how many tax-payers are there who are earning more than a lakh of rupees? But here are the people who earn their livelihood and they keep some reserve fund with them so that when their children grow up, at the time of marriage or at the time of further education in colleges, they can have the benefit, and I am sure, Sir, that you will restore that.

While wishing you all the best and with my support of the Budget, I would like to remind you, Sir, that this country has some great problems Five children in our country between the age group of 1 to 5 die every minute because of malnutrition and hunger. In 1985 more than 2600 dowry death cases were registered and there were so many dowry death cases which are unregistered. It was due to lack of funds and lack of money that the parents could not afford to pay to the in-laws. I am sure, Sir, that you should be taking care of these problems. Millions of children in our country are involved in child labour, Millions of people are still illiterate and communal tensions are there everywhere Punjab, Jmmu and Kashmir, Assam and Ramjanambhoomi-Babri Masjid problems are there before you and, Sir, we assure you that the entire strength of ours is with you and we are there with you to solve all these problems. But these problems are there and we must take care of them and we must make our country self-reliant, a powerful India and I am sure that with this new Budget we will be able to fulfil our goals. Thank you, Sir.

[Translation]

*SHRI OSCAR FERNANDES (Udupi): Sir, I thank you for giving me an opportunity to speak on the General Budget for the year 1992-93. Sir, I would like to dwell on some key issues only due to paucity of time. I welcome this Budget which is well balanced. We the members of Lok Sabha are sitting and discussing the Budget in the house. Late we are going to pass it. But I would like to inform this august House that the Budget has already been passed by the people of this country on 29th February, 1992 when the Hon'ble Finance Minister presented the Budget here. The country is passing through a crucial financial tangle we have to face these challenges. I would like to sound caution at this stage. We need not be afraid of the situation. The 5 century history of the nation reveals that we can be self sufficient. We have to go ahead with this self confidence. We have the strength to solve any problem. We need not depend on foreign countries if our farmers and rural people work untidily and boldly. It is India which has a large quantity of gold in the world after America. If all the Lok Sabha members and other representatives of the people go to the rural people they can collect sufficient money to face all challenges.

We have to take this bold step and if the rural masses cooperate then there will be no need for us to depend on other nations.

Some members particularly from the opposition benches are criticising the Govt. for taking the IMF loan. But they should be able to suggest some alternative plans. The Hon'ble Minister has gone into all possibilities and then only prepared the Budget. He is a responsible economist and the Budget presented by him has been welcomed by people from all parts of the country.

We have to give to priority to agriculture, fisheries, animal husbandry etc. for accelerating pace of the economic development. We continue to import oil and spending a huge amount for this purpose. This trend

should be put an end to. Our farmers are capable of producing sufficient quantity of oil seeds provided they are given the proper encouragement by the Centre and State Governments.

We have taken a bold step in Karnataka to encourage individuals who are setting up small scale industries. The State Govt. is helping them in marketing their products through various agencies. These products would be not only sufficient to the 85 crores of our people but also they can be exported if the small scale industries are encouraged in this way through out the country.

Sh. Manmohan Singh the Hon'ble Finance Minister has presented a progressive Budget. I am sure that this Budget will be appreciated not only by our Children but also by our grandchildren. The Budget has shown a new path to progress and prosperity of the nation.

Large quantity of rectified spirit is being used as fuel. We can save substantial and valuable foreign exchange if we can produce sufficient amount of rectified spirit from molasses produced from sugar cane. At least 40% of the foreign exchange can be saved by reducing the import of oil.

As my colleague Sh. Manishankara Aiyer was mentioning we have to give full protection to the fishermen, like farmers who produce food grains. Fisherman catch the fish and contribute to the economy of the country. By exporting sea food we can earn valuable foreign exchange. There is great demand for fishes, prawns, etc. not only in the international market but also within the country. But surprisingly we are not exploiting the available resources to the expected level. There is an urgent need to increase our catches from the sea. Hence I urge upon the Hon'ble Finance Minister to extend all possible help to the fishermen.

Sir, you are ringing the bell and there is no time for me to continue my speech. I, therefore, thank you for allowing me to ex-

press my views and with these words I conclude my speech.

[English]

SHRI UDAYSINGRAO GAIKWAD (Kolhapur): Mr. Speaker, Sir, at the outset, I congratulate the Finance Minister for presenting the historic Budget under the leadership of the hon. Prime Minister, Shri P.V. Narasimha Rao. This is not myself who has called the present Budget as historic but the noted economist and constitutional expert, Shri Palkhiwala has also said this to be a historic Budget in the world's largest crowded public Budget meeting at Bombay.

The finance Minister has accepted some of the suggestions made in the interim report of Raja Chelliah Committee on Tax Reforms and has tried to incorporate some of the recommendations into the Budget proposals. It is a matter of pleasure to note some of the highlights of the Budget. Foreign exchange reserves have been re-built to about Rs. 11,000 crores; and the Non-resident Indians are not withdrawing their deposits. The inflation has come down to the level of 12 per cent. The import of gold up to five kgs. has been allowed on moderate custom duty to be paid in foreign exchange; gold bonds are being issued, with the provision of payment of interest and no income-tax and gift tax. There is a guarantee for returning back the gold. Resultantly the prices of gold have come down in the gold market.

About fertilizer subsidy, the Finance Minister has given an assurance only when the report of the Committee will come, then only they will consider the whole thing so that the agriculturist will also benefit.

The defence outlay has been increased up to seven per cent in comparison to 1991-92, although it should be higher keeping in view the prevailing circumstances and comparing the Budgets of other countries. The principle of one rank one pension has been accepted and implemented for Defence personnel. That has given a boost to the morale of the soldiers.

Three slab system of charging income-tax has been enforced which has been welcomed by all. The shop-keepers are to be levied income-tax at Rs. 1,400 only having sales up to Rs. 5 lakhs. That means, these shop-keepers do not have to go from pillar to post to finalise and submit their accounts. The amount for maintenance of handicapped under exemption limit has been raised up to Rs.12,000/- and so as also a limit of Rs. 3,000/- extra in the standard deductions has been provided for working women.

The Bhopal Gas victims have been granted exemption from the payment of income-tax for the compensation they have received. The air-conditioner is no more a luxury. That is what our Finance Minister says and he has given exemption for the air-conditioned restraints and others also. The cooperative societies have been granted exemption from the purview of income-tax about their income.

The import duty on consumable items has been considerably reduced on machinery and capital goods.

The banks and other financial institutions which were getting discouraged by way of charging income-tax from the Fixed deposit earnings, have been granted relief by way of withdrawing the provision. But there is much more room for improvements to be made in the Budget proposals before this august House passes the Budget. I summarize a few things.

The income-tax limit for exemption has been raised up to Rs. 28,000 from Rs. 22,000 per annum. The increase of Rs. 6,000 is nothing but an eye wash. This is what everybody says in this august House. Suppose a person working in TELCO as Sweeper gets about Rs. 3,000 per month as pay. Even he is not at all benefited by this rise in exemption limit. So, I request the hon. Minister that the exemption limit should be raised.

No relief has been announced for the small-scale industries which account for nearly 30 per cent of the foreign exchange earnings by way of export. This aspect should

[Sh. Udaysingrao Gaikwad]

be promptly and carefully looked into and increased incentives besides tax exemption should be announced for their rapid growth.

The asbestos cement industry has been given relief in the form of reduction in Customs duty. However, this will have almost no effect on the consumer price of the product since its raw material procurement is at a higher rate of exchange value at which customs duty is levied besides increase in the Central Excise duty. The concession has been granted under paragraph 94 in the Budget speech of Finance Minister for bricks, ryes prefabricated doors, windows made of plastic, iron and steel. In addition to that, cement sheets which cover the roof and asbestos pipes for water supply be also granted concession as these are also finished products by way of treating them under priority sector.

I need some two or three minutes more because some of the Grants are not coming for discussion. I am just skipping some points because of time-limit and go for regional things.

Some time back the Union Government has taken a decision to shift a part of Central Excise Customs collectorate situated at Puna to Kolhapur by bifurcating the said Collectorate into two parts. The Government has constructed a building by spending lakhs of rupees. It is presently occupied by the Assistant Collector. I would like to suggest here that some parts of Pune like Bhor, Walchand Nager etc may be attached to Pune Office. As a decision has been taken to take half bifurcated office at Pune and attached to Kolhapur, it will benefit the six districts. This decision which has been taken should be implemented immediately.

There is one more point which is of paramount importance and that is, of having this High Court Bench of Bombay at Kolhapur I have been raising this point here time and again about this High Court Bench at Kolhapur as the law and judicial demands are not coming up here for discussion. That is why,

I am raising this point. Six districts of our region namely, Sangli, Kolhapur, Sholapur, Satara, Sindhu Durg and Ratnagiri bar Association have passed a resolution in favour of Kolhapur. If you go by the guidelines of Jawant Singh report, Kolhapur is the only place here you can have this High Court bench so that these six districts will be benefited.

As on today 1, 70,000 cases are pending in the High Court of Bombay and about 2,400 vital cases from six districts are pending in Bombay High Court. Almost 30,000 cases are pending for the last six years. Everybody naturally feels that Government policy is that justice should go to the door. therefore, High court bench at Kolhapur is very necessary. One of our friends said that whatever we are asking that we had it before like during the State regime we had the privileges of having High court and Supreme court at Kolhapur till its merger in the Indian Government. There are some eminent persons from Kolhapur namely, B.P. Gajendra Gadkar, the ex-Chief Justice of India, Mr. Bharat Bhushan and Babasaheb Ambedkar who is the architect of the Indian constitution. They have all made their appearances in the Kolhapur High Court and Supreme Court. Not only that. Since 1949, six district judges from Kolhar were elevated to High Court at Bombay. They are hon. Justice L.M. Paranjape, Hon. Justice V.B. Raju, Hon. Mavlanker, Hon. Justice Joshi, Hon. Justice Deshpande and Hon. Justice Mane.

Taking all these points into consideration, we feel that in remembrance of Babasaheb Ambedkar whose centenary we are celebrating this year, the High Court bench at Kolhapur should be given.

With these words, I support the Bill.

MR. SPEAKER; Now shri Sant Ram Singh to speak. This is his maiden speech in the House. You have get 10 minutes. before I ring the bell, Please take your seat.

SHRI SANT RAM SINGLA (Patiala):
Hon. Speaker, Sir, I express my gratefulness to you for providing me this maiden

opportunity to express myself on the budgetary proposals which have been termed revolutionary, historical, political, soft and with human face by different people. Due to wilful neglect and gross mismanagement of the economy in the two years preceding installation of the present Government, prices of Foodgrains shot up by more than 50 per cent; inflation shot up to all time peak levels and the country was brought to a virtual economic collapse. The rating of Indian economy amongst the international community touched the lowest ebb. There was acute crisis of Balance of Payments and our own foreign currency reserves were barely sufficient for two weeks' imports. In depression, born out of total ignorance of managing a nation's economy, the then Government pledged the nation's gold reserves to the international money-lenders to raise funds. It does not behove of the authors and preceptors of such a situation, some of whom are present on the opposition benches of this august House, to find fault with the present budgetary process and proposals nearly to get political mileage by attacking this sacramental

[Translation]

I would like to recite a complete on the then political and socio economic situation of the country;

* EK chak ho to see loon gureban apa
 Zalim re phar dala hai tara taar kar ke"

[English]

It is in such a dismal climate that Shri P.V. Narasimha Rao took up the reins of the government of this country and like a true messiah, in right earnest, embarked upon the path to bring salvation to the teeming million of the country. I must say that this budget indeed is a proclamation, aloud and clear, that our nation's journey on the path to an untrammelled economic development is irretaceable. The reformist measures initiated with the aim to convert India from a control-bound, inward-looking economy to a market-friendly and outward-looking one and

integrating it with the Global Economy is irreversible. The Government deserves to be congratulated on its success in not only containing the budgetary deficit well below the estimated level, but also the fiscal deficit is reduced from about 8.4 per cent of G.D.P. in 1990-91 to around 6.5 per cent of G.D.P. in 1991-92. There is no doubt that this success of the Government coupled with macro-adjustments in the budget will see a continuing decline in the inflation rate which is already decelerated from the peak level of 16.7 per cent in August 1991 to nearly 11 per cent now. With the resultant growth in the G.D.P. growth rate, it is bound to provide substantial and enduring succor to the masses.

The partial convertibility of the Indian Rupee, as proposed, will definitely facilitate a steady and vigorous inflow of perpetually-needed foreign exchange. This measure coupled with trade, industrial and investment reforms, as envisaged, will go a long way in not only restoring the health of the Indian economy but also as a chain reaction strengthen the Indian Rupee vis-a-vis other currencies. However, I will emphasize the need for effective vigilance on the disruptive market forces in this regard.

I thank the hon. Prime Minister and the Finance Minister for acceding to the long-overdue demand of our people to enhance the limit of personal income-tax exemption with fair and desirable discrimination in favour of working women and senior citizens. With due regard to the constraints faced by the hon. Finance Minister, I still feel that the enhancement given fell short of even offsetting the accumulative inflationary impact. The step to take away the benefit of investments under sections 80 CCA, 80 CCB and 80 L of the Income Tax Act, however, wisely intended to shift the emphasis from savings to equity investments, is indeed abrupt. Our masses may not be able to get acclimatized so readily to this change and resultantly at the initial stage this step may prove counter-productive. Besides, the need to make the people feel inclined to strive for savings is an all-time necessity, I, therefore, request the hon. Finance Minister to reconsider sympa-

[Sh. Sant Ram Singla]

thetically, the withdrawal of all the concessions for the savings while keeping the measures in tact, as envisaged for the encouragement of equity investment.

It is commendable that conforming to the spirit of federalism, the Budgetary proposals have been so framed as to considerably enhance the share of States from the Central taxation kitty. It will able the States to make the greater allocation for these developmental schemes. It is a befitting reply to the persuade crusaders of federalism, which slogan they use only to cloak their narrow regionism. I must say that considerations for establishing the share of a State from the Central taxation kitty should take care of special politico-geographical condition in which my State of Punjab has been placed. I want to make a special reference to the State of Punjab because the condition of Punjab is before the whole nation.

Punjab has always Horn the brunt of invaders attacks, anxious to plunder the wealth of our nation. True to its being the sword arm of India, the people of Punjab have always repulsed back these invaders to the relief of entire nation at the risk of their own individual and collective economy. Present day situation is still worse. Our neighbour country is leaving no stone unturned to bring the economic of Punjab to shambles. Such situations need much more resources than needed in the normal circumstances, to keep and accelerate the tempo of Punjab's participation in building the nation's economic wealth. There is a proposal in the Budget to bring down the incremental statutory Liquidity Ratio (SLR) of the banks by 8.5 per cent. It shall leave the banks with more funds to lened to the needy. Though such a step is a welcome steps yet, I shall emphasize that there must be formulated regulatory measures for investment by the banks in the states which are there deposit basin. I am sorry to point out that credit-deposit ratio of the banks in Punjab leaves much to be desired. Agriculturists industrialists traders and entrepreneurs of Punjab are starved of funds because of this unethical practice of

banks. Position of Punjab's entrepreneur is no less than as being crucified by his own countrymen. He had to pay full consideration much in advance for the raw material which he has to get from outside. On the other hand, he has to extend credit to get his product sold in the markets outside Punjab. Banks in Punjab are not sympathetic even to these hardships of the people of Punjab. Despite various pronouncements of policies to tide over this crisis by the Central Government, banks are not allowing any concession to the people of Punjab and some how always succeed in confining those policies to the tables of bureaucrats. I urge upon the hon. Finance Minister to ensure that for the agriculturist, industrialist, trader and entrepreneur of Punjab there must be devised special lending schemes with special norm of appraisals and Finacial discipline to which an entrepreneur is subjected to by the bank specially at reduced rate of interest with special gestation periods, special norms for assessing defaults and to recall the loans. The self-employment schemes which are presently preverent provide for a loan of Rs. 25,000 to Rs. 35, 000. It should be raised to at least Rs. 1, 00,000. so that (*Interruptions*)

MR.SPEAKER: Please conclude.

SHRI SANT RAM SINGLA: I shall conclude in three, four minutes.

The difficulties of entrepreneurs in Punjab are likely to be further complicated with the proposed withdrawal of freight equalisation schemes. It is bound to push up the prices of steel., coal, petroleum products and fertilizers. The Steel Rolling Industry and the Machine Tools Industry which have mushroomed in small sector in Punjab will be a sufferer in particular. With the resultant increase in cost of energg, that is, coal and electricity, the industry in general is also to suffer. May I suggest to the hon. Finance Minister to have a fresh look on the proposals and to come out with alternate proposals which may ensure that these basic sources of the industries above-sald and their raw arterial including for other two major industries of Punjab, that is, hosiery and sports goods industry, are made available to the

entrepreneur in Punjab at the prices favorably competitive to the prices prevalent in the raw material producing States.

One of the major causes of frustration amongst the youth of Punjab is the peak level of unemployment. Not only that Punjab has long back reached saturation point in the field of per hectare of agriculture produce but also land holdings have dwindled down considerably. Thus, majority of youth of rural Punjab has been rendered as an idle force. The saying that 'An idle brain is the devil's den' is manifested in true sense in the present Punjab problem. The one and only way to woe away the youth of Punjab from the destructive course is to provide them a gainful and respectable employment as possible. This can only be achieved by making Punjab an advanced industrialised State.

People of Punjab are, by nature, hardworking, innovative, full of zeal and always aspire for excellence in all fields. The people who brought green revolution and white revolution are capable of bringing industrial revolution too. In agriculture, we have done it and in industry, we will certainly do it. There is, therefore, no reason that in this hour of need why we should not take heavy industry both general both gemal and agro-based to Punjab in a big way? Incentives should be provided to Non-Resident Indians to invest in Punjab in heavy industry. Keeping in view the ground realities prevalent throughout the Punjab state, the entire state should be declared as industrially backward. Preference must be given to Punjab while setting up Petro-chemical complexes, automobile industries and electronic industry. All of these industries have vast potentialities to enable the enterprising youth of Punjab to set-up ancillary units. Hon. the finance Minister has announced the plan to set-up agro-business centres in the country and I hope that Punjab will get due share of these centers.

The country felt proud of Punjab having led the green revolution in a period of two decades. Punjab was involved in the process of building an infrastructure for leading another Economic revolution.

There is great criticism that we have departed from the policies of Pandit Jawaharalal Nehru. I want to tell that Pandit Jawahar Lal Nehru, who had the foresight of laying the firm foundations on which we are now being able to construct our economic edifice, realised that the political freedom alone is meaningless without economic freedom.

The present economic policies of the government, I am pleased to note, represent, a true and realistic evolution in perfect conformity of present economic needs, of the policies propounded by Nehru Ji and followed by Indira ji and Rajiv ji. The innovated criticism by vested interests of the budgetary proposals alleging these being a deviation from Nehru era is baseless and unfounded.

No budgetary measures, economic policies and subsidies can succeed without a congenial climate. Such a climate can only be created when there is peace, social harmony and tranquility. I congratulate the Prime Minister for his political sagacity in this regard and for holding elections in Punjab. The people of Punjab also deserve to be congratulated for demonstrating courage in exercise of their franchise at a time when threats and fears were being held out. By voting into power the Congress both in Parliament and in Punjab Assembly, the people of Punjab have reposed their faith in the leadership of Shri P.V. Narasimha Rao and in the ideology and programmes of Congress party. (Interruptions)

MR. SPEAKER: please conclude now.

SHRI SANT RAM SINGLA: Sir, I will not take more than two minutes. Please give me two more minutes.

I wish my Akali friends would also have joined the election process and sought the verdict of people in order to take Punjab out of its present agony. Instead of showing the political foresight and sense of responsibility to obtain mandate from the people, they opted for an escape route by boycotting the elections.

[Sh. Sant Ram Singla]

[Translation]

I would like to say something regarding Punjab..(Interruptions)

MR. SPEAKER: If you speak on that subject in your very first speech then what about others who would be speaking on the same subject

SHRI SANT RAM SINGLA: I shall not take more than two minutes. The Punjab problem is partly a law and order problem and partly political, economic and external interference problem. Creation of employment opportunities alone will solve the problem to a large extent. We must follow the Rajiv Longowal Accord and transfer Chandigarh to Punjab at the earliest. (Interruptions)

MR. SPEAKER: This is a discussion on the Budget and not on Punjab.

SHRI SANTRAM SINGLA: Please let me speak for another two minutes. Punjab is an agricultural State. It does not have either mines, minerals, gas, oil or forests. Water is an important resource for Punjab. The water problem must be handed over to the Supreme Court. Another point I would like to mention is that Punjab has a share in Yamuna water.(Interruptions).

[Translation]

Punjab must get its share (Interruptions).

[English]

MR. SPEAKER: Now, you please take your seat. Now Shri Aslam Sher Khan to speak (Interruptions)*

MR. SPEAKER: H's speech will not go on record.

(Interruptions)*

MR. SPEAKER: His speech will not go on record.

[Translation]

SHRI ASLAM SHER KHAN (Betul): Sir, I rise to support the Budget.

For the first time, the Budget has raised the hopes of the people. The hon. Finance Minister has minutely taken every aspect into consideration but I am pained to note that sports have not been given due recognition in our country. We are a country of 85 crore people but in sports we are trounced by much smaller countries like Taiwan and Hong kong.

The basic infrastructure for food, clothing and shelter has been provided in our country and if a basic infrastructure had been provided for sports the country would not have been wanting in the field of sports. I am sure that encouragement to sports and games will help the youth become good citizens of tomorrow.

Punjab has produced many sportsmen and sportswomen in the past. Decrease in budgetary provision for sports led to a decline in Punjab's contribution to Indian sports. The youth of Punjab has taken to guns. Last year, Rs. 68 crores were provided in the Budget but this year the provision has come down to Rs. 57 crores. How can we expect the standard of sports to go up?

I feel that sports takes people beyond religion. Every player plays for his team, his State or his country. We spend lakhs of rupees for maintaining law and order and preserving the unity and integrity of the country. This would not have been necessary if only sports had been given the impetus that it needs.

I am sorry for the sad state of affairs of sports in village schools. Earlier there used to be some sports but now there are almost no sports facilities. Sports are not being given due importance. I hope the hon. Fi-

nance Minister takes this as a challenge. a lot of efforts is required in this direction.

In the U.S. Negroes have dominated the filled of sports. The U.S is able to produce good sportsmen because top-level facilities are available for them in that country. It is not that India cannot produced good sportsmen. The fact is that we have never taken sports seriously. If we can take this up as a national challenge there is no reasons for India to lag behind in the filed of sports.

On the other hand, our youth does not get many recreational facilities or employment opportunities. The hon. Minister has raised many expectations in this Budget. But if these exceptions are not met, there could be turmoil in the country. People expect their hopes to be fulfilled. Encouragement to sports can certainly increase the opportunities available to the youth. Whether it is at culturaier level or other levels. Besides. Sports unifies the country in the bond of brotherhood and the unity and integrity of the country remains intact. I hope you will bear this in mind.

With these words, Sir, I thank you for giving me an opportunity to speak.

[English]

SHRI INDER JIT (Darjeeling): Mr. Speaker sir, I rise to support the budget and its various proposals. Happily, Dr. Manmohan Singh has saved the country from insolvency. Important steps have been taken to ensure that such a a situation does not arise again. Budgetary deficit has been cut down and there is promise of more. But this by itself is not enough. We must stop living beyond our means. We need to tighten our belts and adopt austererity as a new creed till the battle for survival is won. I am afraid, I do not get the signals of austererity from the Government benches or from the opposition benches either

Even more than that we need to improve productivity both in the industrial and agricultural sectors and efficiency in the service sector. That alone will save the nation. Merely playing with the finances may

help us to overcome the crisis for the moment. Ultimately, however, the real crisis can be got over only when we as a nation improve our productivity and our efficiency.

Technology becomes important in this context as it gives us the productivity we need urgently. Therefore, when the Finance Minister says that we have got to get the best technology available from abroad, I agree with him, but with one proviso. Does it mean that we should go on importing more and more technology?

We have to follow in my opinion the model of Japan. They never hesitated to import technology. But once they imported the technology, for every dollar spent on it, they funded five dollars on research and development. They made that technology much more efficient. What is more, they made it their own technology and even exported the same to the country from where they had imported the original technology.

I would, therefore, suggest to Dr. Manmohan Singh and the government that while we should not object to the import of technology, the most up-to-date technology wherever necessary, we should not continue to be merre importes of technology from abroad and from the multinationals. We should endeavor to utilize the vast scientific talent and technological manpower available in our country for improving that technology.

We have to remember that when we import technology it is not as if it is tailor-made for our conditions. It has to be adapted, absorbed and then improved. This will have to be realised and kept in mind. In fact, I hope that our Research and Development activities would be further strengthened and activated, so that we can take full advantage of the benefits of others' discoveries and innovations, as has been successfully done by Japan.

I non turn to another importan sector, the labour productivity which in my opinion is not receiving adequate attention. Unfortunately, we have many road blocks here. We have a labour legislation which, in my view,

[Sh. Inderjit]

is a constraint against employment of further labour. It provides those which are already in employment a vested interest. It is therefore important now to consider how we can get out of this unfortunate situation. In my view, we cannot overcome the constraint unless we abolish the multiplicity of trade unions and the rivalry between them—competitive rivalry and overbidding. Often enough you find that one trade union tells the workers that they should ask for 30 per cent bonus another turns around and say that they should ask for 35 per cent bonus;

18.00 hrs.

and a third one turns around and ask why 35 per cent why only 33 per cent? and why not 40 per cent (*Interruptions*) This competitive bidding goes on and on. Therefore, as long as we have multiplicity of unions, and that too, with political links labour unions attached to political parties and as long as this continued I am afraid, there will not be harmony and peace on the labour front and we will have to continue to struggle against strikes, go-slows and various other things coming up. of late. I would, therefore, plead with the Government of India, particularly the Prime Minister, that it is now time to deal with the human factor also. Our work-culture has got to change and improve. Unfortunately, our culture today is that we should do less and less, but get more and more.

Many years ago, Shri C Subramniam, the then Finance Minister stated in this House and I quote;

' We have abolished landlordism. it is high-time we abolish labourism too'

I think what he has said many years ago, needs to be repeated today. In the early stages, no doubt, labour required outside leadership. But labour is now adequately trained. They are professional and have, by now, acquired expertise. Therefore, the present link between the political parties and the trade unions and outsiders becoming labourlords and then lording over the

labourers and exploiting them must also and in my view.

Mr. Speaker, Sir, I am glad, the Prime Minister is trying to build up national consensus in many areas. It is most necessary to build up a national consensus in regard to stepping up productivity so that, we may be able to function in an economy which is healthy and sound and in which, we can enjoy the luxury of asking for more and more. Even then, there are limits to that. But, if we have to make real progress, I would like to make an appeal. That appeal is Let us at least have a three year moratorium on strikes, a three year moratorium on *bandhs* and a three year moratorium on go-alow tactics. Let us all work a much as possible (*Interruptions*)

All right, we can have a three year moratorium on lock outs also. All right, we can have it. Importantly ever we have a little difficulty, we should put up with it for the short period of three years. It is not as if every demand is to be postponed for ever. That is why I am saying that we should have a three year moratorium on strikes, go slows and even lock outs. and that is why, I am making a plea for just three years. If we can have harmony and peace in our functioning for barely three years, I have no doubt that we can turn the corner and tell the world that we are in a position to face it in all fields. We will then have the national strength, the national confidence and what is more the national capacity to face any situation

I will now make just one more point before I conclude, even though there is much would have liked to say. Sir, I would like to see the Finance Minister bring about some linkage between family planning and the tax structure. In this context, I would like to make a specific proposition. I would propose and I would appeal to him, initially to increased the exemption limit on tax from Rs. 28,000 to Rs.30, 000 (*Interruptions*) Atalji, please let me rest will suit you more than anybody else. The second position is that the exemption limit should be raised from Rs.30,000 to Rs. 36, 000 for such people as have two children or less. (*Interruption*) I would like the linkage

to be carried on further and I would suggest that those who have two children or less should be given certain concessions in higher tax brackets one per cent to two per cent. (Interruptions)

I know some people may turn around and say that this may lead to a lot of father-less children. I also know that some people may turn around and say that my proposal may not achieve much in regard to main problem of family planning which lies among the poorer areas of our country. Nevertheless it is important that we send out the right message. The question is that the right message should go, the right signal should go. Now, more and more people are coming in.

I wanted to make many other suggestions, Mr. Speaker but I would conclude with one appeal to the Finance Minister. He has tried to make the tax structure much simpler. He has tried to make life a little easier for those who have to pay taxes and so on. Nevertheless, there are two problems Income-Tax officer Ray and the Inspector Raj I would appeal to him to go into this particular problem. Times without number, there are cases where Income-Tax Officers made unjust assessments. Some of these cases go before the court. After a long period of harassment and trouble, the courts have sometimes given verdict against the Income-Tax Officers. But nothing has been done about such Income-Tax Officers. I think there ought to be some linkage where Income-Tax Officers must take full responsibility for the assessments. And where the assessment is proved to be *mala fide* there ought to be adequate deterrent punishment against such offense.

I will not take more time because the whole House is eagerly waiting to listen to the Finance Minister. Nevertheless, I hope that the Finance Minister will give be consideration to the proposals that I have out forward.

MR. SPEAKER: I would like to say that the Hon. Members have cooperated very well. They sat yesterday night up to 11.30 and provided opportunity to themselves to

speaking. However, unfortunately because of the paucity of time, it is not possible to accommodate all the Members. We have seen that those Members who have spoken on the President's Address are not generally spoken on the budget. I am keeping both the lists within. I propose to keep all these lists with me. When we are discussing the Demands of other Ministries also, those Members who could not be provided with the opportunity would be provided with the opportunity to express their views.

So, I think, with this, now we should also the Finance Minister to respond.

[Translation]

SHRI KRISHAN DUTT SULTANPURI (Shimla): Sir, yesterday we sat upto 23.30 hrs and hon. Shri Kumramangalam gave us an assurance that members would be given an opportunity today. But I am sorry to say that no attention has been paid to us. We would also like to express our view on the Budget.

MR. SPEAKER: You would be given priority during the discussion on Demands for Grants.

(Interruptions)

[English]

SHRI SOBHANADREEWARA RAO VADE (Vijayawada): Sir, Injustice is done to some political parties. (Interruptions) It is most unfortunate. (Interruptions) We would like to register our protest. (Interruptions)

MR. SPEAKER: Please take your seat. I have no objection to give time to the Members. Now you shall have to decided whether you are going to sit late into the night. Then, there is a time constraint. The Bills have to go to the Raja Sabha and they have to be passed. We are discussing the Vote on Account, we are discussing the Supplementary Demands. We are having a discussion in general on the Budget. We have tried to accommodate most of the Members. That is not the end of the matter.

We are again going to have enough time to discuss many of the Ministries. Those members who are interested in making specific points will certainly be considered. I have said that we will be keeping these lists with us. We will be accommodating. If some of the Members are not given the time, we are really sorry for that. But you can see for yourself that the time—every minute, every second—is utilised by you only. None else is utilising. Nobody sitting in the gallery is utilising. Nobody sitting in the Chair is utilising. It is the Members who are utilising. That is why you please understand and accommodate

I can realise your anguish. I can realise your desire to express your views. It is exactly for this reason you have come here. But then we will find time for you to express your views. Please understand. Do not misunderstand and let us start. (Interruptions) We will accommodate them later on (Interruptions)

SHRI SRIKANTA JENA (Cuttack): We will sit late in the evening and the Members can participate.

MR. SPEAKER: No, no. We have a long list. (Interruptions) Mr. Jena, I cannot accommodate. There is a very long list. Please leave it to me because you do not have the entire information that I have with me.

(Interruptions)

SHRI SRIKANTA JENA: The quorum was not there. (Interruptions)

MR. SPEAKER: We will help them. (Interruptions)

MR. SPEAKER: They have understood. (Interruptions)

MR. SPEAKER: Please sit down now.

THE MINISTER OF FINANCE (SHRI MANMOHAN SINGH): Mr. Speaker, Sir, I have listened with great interest and respect all the contributions that have been made to this rich and varied debate on the Budget of the Central Government for 1992-93. I thank

all the hon. Members who participated in this debate. I was very much struck by the fact that notwithstanding difference of emphasis and even of approach, this nation is united to protect certain basic national values and national ethos. Therefore, I draw great encouragement from the tenor of the debate in this House. It augurs well for the future of our Great Republic. I listened with great respect to the hon. Member Shri Atal Bihari Vajpayee, Shri George Fernandes and Shri Chandra Shekhar and there have been very illuminating speeches on this side of the House. Let me say that I was very impressed by the standard of the debate and in particular, I would like to compliment Atalji. I would like to quote from the Urdu poet, Ghalib.

*"Hain Aur bhi Duniya Mein Sukhanvar Bahut Achhe
Kahte heinki Galibka Hai Andaze Bayan Aur."*

As far as Shri Chandra Shekhar is concerned, unfortunately, he is not present here today. He spoke with great anger. I respect his sentiments. But I must confess to this House that there was lot of heat but I did not find light. I am not going to make any issue of this. I had worked with him; I have great respect for him. And I would like to say to him:

*"Kitne sheereen hain tere lab ae rakib
Galiyan kha ke bhi bemazaa nahin."*

Mr. Speaker, Sir, it was merely a month ago, on the 25th of last month, that a fox-hunt began. I am sorry that some very distinguished Members of the House laboured very hard including two former Prime Ministers who joined that fox-hunt but it turned out to be a wild goose chase. This country now knows the facts and therefore, I will not labour on many of the things which are now public property. However, I do want to say certain things. A charge has been levied time and again that this is a Budget which derived its inspiration from the World Bank or the IMF and that I am following blindly the model given by the IMF. Shri George Fernandes said that, Shri Chandra Jeet Yadav said that and Shri Chandra Shekhar also said that. With all respect to them, I want to say, in all

numility, that they are certainly mistaken. The model that I am following is a model which is spelt out in great detail in the election manifesto of the Congress Party.

I will now read to you paragraph by paragraph, because this charge has been levelled. Now, what is it that I am trying to say? The first thing that our Government has sought to do is to correct the fiscal imbalances. And I read to you from page 22 of the Congress Party's Election Manifesto, on this subject:

"The Congress will restore fiscal balance in the budgetary system by drastically reducing wasteful expenditure, rationalising non-developmental expenditure and expanding the revenue base of the Government, particularly through a leaner, more dynamic and profit-oriented public sector. Deficit financing will be restricted to manageable proportions."

Sir, this is straight from the Manifesto of our Party. When I say this, I am reminded of the great contribution that the late Prime Minister, Shri Rajiv Gandhi made. This is his legacy. This is his good work.

The second thing that our Government sought to deal with was the balance of payments crisis. How are we going to deal with the balance of payments crisis? Let me read again from page 24 of the Election Manifesto.

"The Congress will tackle the problem of the present foreign exchange crisis by pursuing vigorous export promotion, effective import substitution, establishing an appropriate exchange rate mechanism and increasing productivity and efficiency in the economy."

This is precisely what we have done in dealing with the balance of payments crisis.

Shri George Fernandes and several hon. Members on the opposition referred to the banking reforms. They have said that we are borrowing this from the World Bank and

the IMF. Again, I quote from page 24 of the Congress Party's Election Manifesto on the subject of banking reforms:

"The Congress will give special attention to improving the working of our nationalised banks, both here and abroad, with a view to making them more efficient and enabling them to stand up to the stiff competition in the field.

Public and private sector banks will be allowed to raise off-shore funds. The Congress will also permit the establishment of new mutual funds, particularly pension funds, in the private sector."

This is precisely what I have been trying to do.

Now I come to the area of industrial policy reforms. Yesterday, Shri Chandra Shekhar brought up this issue of a 'U-turn' in economic policies. Now, what U-turn, is he talking about? I again quote straight from the Election Manifesto on the subject of industry from page 36:

"The Congress will give top priority to developing export capability in a wide range of industries to earn foreign exchange. Foreign investment and technology collaboration will be permitted to obtain higher technology, to increase exports and to expand the production base. It will be ensured that such foreign investment will not be at the cost of self-reliance."

Yesterday, the hon. Member asked as to why we removed the MRTP. And I quote the directive given by the Congress Party's Election Manifesto: On page 37, it says:

"The Congress will endeavour to abolish the monopoly of any sector or any individual enterprise in any field of manufacture, except on strategic or military considerations, and open all manufacturing activity to competition."

Then Sir, on pages 35 and 36, the

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Election Manifesto says:

"The Congress will pursue a sound policy framework; encouragement of entrepreneurship, development of capital markets, simplification of the regulatory system, bringing in new technology and increasing competitiveness for the benefit of the common man."

I submit to you and this august House that the industrial policy that we have devised is precisely in response to this directive and this pledge that we gave to our people.

Then Sir, on the public sector on page 37, the Congress Party's Election Manifesto says:

"For this systematic and pioneering advance into new areas, it would be desirable for the public sector to shed some less crucial areas of responsibility."

"The Congress will oversee the gradual withdrawal of the public sector from areas where the private and joint sectors have developed capability."

Sir, all these quotations from the Congress election manifesto should give a conclusive evidence as to the source of inspiration for various policy changes that our Government has sought to bring about since we came into Office in June, 1990-91. I would, therefore, not like to deal with this whole charge any further except that I would say that it deeply pains me when international institutions with which we have worked for the last 40-45 years are made the subject matter of internal political debate in a style which does not in my view to credit to the great traditions of our country. But that is a past history. I think, as I have stated, I have shown conclusively the inspiration that has been there for what we have done.

Chandra Shekhar ji yesterday brought up this question of Nehruvian line. Unfortunately, he is not here. Chandra Jeet Yadav

ji also raised the same issue. I would like to restate that in terms of the basic objectives of our economic and social policy, there is no reneging on any of the commitments that our national leadership has made to the people right from the days of Pandit ji, and I say it in all sincerity. We are working to make India a self-reliant nation. We are working to make India a technologically sophisticated nation. We are working to remove poverty. But the situation in which we were placed in June 1991 a situation of total fiscal collapse; a situation of grave balance of payment disequilibrium I submit, Sir, that at that particular time to serve the country's long term objectives we had to take some drastic measures to set the fiscal House in order.

Several hon. Members, for instance Shri George Fernandes has said that we have made a cut on education, on health and so on. I deeply regret that. The hon. Member said that we have not paid adequate attention to redressing regional imbalances; that we have not paid adequate attention to the backward States like Bihar. I deeply regret that but let me be very candid with you. The situation in which the Indian fiscal system is placed today, there is very little that we can do to deal with those fundamental problems of our national life. It is only a sound fiscal system, a sound Central Government fiscal system which can hope to transfer resources for poverty eradication which can come to the assistance of the poor people whether they are in Bihar or in Uttar Pradesh or in Orissa. So, I submit to you and to this august House that the task in which our Government is engaged today is an essential prerequisite for dealing with those fundamental issues of poverty, of backwardness and of regional imbalance. Today, we have to retreat little bit so that tomorrow we can attend to those problems with stronger vigour and with stronger credibility.

These days it is not very fashionable to quote Lenin but you will forgive me if I will say that if our policy will be described in any way, in some way it is one step backward so that we may take two steps forward. Therefore, what we have done in no way implies any repudiation of Nehruji or the ideals which the

Congress Party has stood.

An issue has been raised by Shri Atal Bihari Vajpayee, Shri Chandra Jeet Yadav and Shri Chandra Shekhar that there should be a national consensus. I entirely agree with them. Our Prime Minister has said it from day one that the problems of this country are now so onerous that no single individual, no single party can carry this burden by itself. Therefore, we seek the support of all segments of national public opinion inside this House and outside the House. It is only then that we will be able to grapple effectively with the challenges that our economy and polity faces today. These are no ordinary challenges. The challenges that you have today are the richest State of the Union is a big burden on the Central Exchequer and you have Kashmir burning. Thousands of crores of rupees of deficits have all to be borne by the Central Government. You have some problems that are being transferred to the Centre. Because of that what happens is that, it has implications on the Central Government. Therefore, all these problems cannot be solved in a partisan spirit. We honestly seek the support and help of all sections of public opinion in our country to deal with these formidable challenges that lie ahead.

One particular point that I do want to make is that in the field of industrial policy, Shri Chandra Shekhar has brought up the youth. There have been several reports in the last ten years India very well then, needed to be overhauled. There have been reports in the Government, outside the Government and I say it with all seriousness this is the point on which most professional economists, regardless of their leanings, right or left, have agreed that there is need for more internal competition in our country with the old industrial licensing system has become counter-productive that it has introduced rigidity, that it had led to inequalities in income and wealth. Therefore, this is not a point of difference. In trying to carry out this mandate, we are respecting that national consensus.

The only area on which there might be some difference of opinion is with regard to

what we have done in the area of foreign investment. I respectively submit to you that even in this area also, we have not gone beyond the stated policy objectives of our existing policies. Those of you who are familiar with India's foreign policy before June, 1991, a policy which is a product of the thinking of Jawaharji, Indiraji and Rajivji, what did the policy say? That policy said that in areas of high priority, we will welcome foreign investment, on a foreign majority basis. Infact, the old policies allowed foreign investment even on an one hundred per cent basis in certain sectors. But, there were problems. The problems were that each of these cases had to come through the Government. Case-by case mechanism was there. This mechanism may have been efficient when our industrial policy was small but this mechanism became thoroughly inefficient when you are dealing with a large diversified economy that we are now. So, this is a by-product of our own success in creating a diversified industrial system, with the old mechanism of regulating foreign investment which was going to be counter productive. Therefore, what did we do? We merely said that if you satisfy certain parameters, here are the areas of high priority industries. And in these areas, if you satisfy parameters that foreign investment will impose any burden on India's balance of payment, that if you import capital goods, you will cover it by foreign equity, and if you want to take dividends out of our country, you will cover them by exports, then, you do not have come to any bureaucrat in Udyog Bhavan.

You go and register yourself with the Reserve Bank of India. Outside these areas, if you want to come, there will be a case by case examination. So, what we have done and this is what Shri Chandra Shekhar always said that we are always in favour of debureaucratisation this is precisely we have done; we have not reneged on any national commitment with regard to the treatment of foreign investment. I think what we have done is we have made the whole system more transparent, simpler, more credible and in the process we have eliminated the scope for unnecessary delays as well as

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corruption. So, I submit to you that in all these matters, there has been no reneging on any of the national objectives. The nation's cherished ideals continue to be the guide, philosopher and the support-base for our thinking.

With regard to certain other aspects of the Budget, I do not want to say something whether you like it or not. I think the fact is that for the first time, we have made a credible effort to restore fiscal discipline. I am not fully satisfied with the outcome. But I think in a single year to reduce the fiscal deficit product is not a small thing; and we did not have the whole year. We came into office in June. We presented the Budget in July; and many of the Budget proposals became effective in August. In that short period of seven months, we managed to present to you an outcome where the total expenditure of the Central Government is lower than what I had presented to this august House in July 1990. It is true that in this outcome certain sectors have not received the attention that they deserve. I am myself conscious of those inadequacies; but in the time that we had at our disposal, we were trying to reign on expenditure in a bold manner for the first time. I submit to this House that these lacunae deserve some leniency, some lenient assessment. Also I would say for the first time we have presented a Budget which says that the Budget deficit, the monetised deficit will be lower than what I had said when I presented the Budget.

I think we have begun the process of fiscal correction.

Shri Atal Bihari Vajpayee asked me what are you going to do about the prices; you said nothing about the prices. Similarly, many other hon. Members on the opposite said that this is the Budget which is going to increase the prices; that I have forgotten, that our Government have forgotten the promises that we had made to our people with regard to rolling back prices. I think the Prime Minister himself answered that particular criticism on an earlier occasion; we do

own up that we have not succeeded in achieving what we set out to achieve on the price front; and that is something which worries us; and I wish to assure the House that all our energy in months to come will be devoted to see that we do succeed in gaining mastery over inflationary process and today I feel more confident. Today, I feel more confident for the reason that fiscal system after a long time is responding to fiscal corrections. Also as I said, today our foreign exchange situation is little more comfortable so that we do not have to export essential commodities like wheat, like rice which we had to push out last year because we needed essential goods like diesel, we needed essential goods like fertiliser, we needed essential goods like kerosene. So, we had to trade this. So, that naturally put pressure on the price system. Today, we do not have to do that. So, we will not do that. Therefore, the pressure on food articles which hurts us, which hurts the poor people in this country, I hope will be moderated in future.

The second thing is that now our foreign exchange position is little more comfortable. We will be able to import many things which we were not able to do.

The import restrictions which were imposed in March, 1991 have now been totally removed. And, therefore, I do feel that the supply side of the economy today is capable of being better managed.

But I must be very honest with you. We still have a very delicate equilibrium in our country. When responsible Members of the House and when they happen to be former Prime Ministers, Leaders of the Opposition, try to create a scare about inflation, I must be very honest with you, in inflation it is not so much the cold arithmetic that is responsible for inflation. Many a time that is Expectation. It is the thinking and if you set in motion a psychology of hopelessness, then if every Indian starts storing half a kilogramme more of foodgrains, or of vegetable oils, he can play havoc with the price structure of this country. Therefore, I would respectfully submit to all those persons who speak on these to speak with a sense of responsibility. If you

cooperate with us, I am sure that we will get control over the inflationary circumstances.

The second issue that has been raised is that this a Budget which will lead to unemployment. I repudiate that charge. It is my honest conviction that there can be neither eradication of poverty nor can you tackle the problem of unemployment, nor can you tackle the problem of regional imbalances on the basis of a bankrupt treasury. Nor can you deal with these problems with such a formidable balance of payments constraint that we got into.

Shri Chandra Shekhar is not here. He sent his Finance Minister in April 1991 to all corners of the world, asking for small amounts to keep this country afloat. The then Finance Minister went to Japan, he went to all the major capitals of the world. He came back empty-handed.

Now in this sort of a situation with a balance of payments situation that we inherited, with the fiscal situation we inherited, I submit to you, that if you take seriously the problem of poverty removal, redressing regional imbalances, of dealing with unemployment, you must deal with the distortions that have crept into India's fiscal system. I feel confident that if this country accepts the logic of financial discipline, and let me say that while the Central Government is today practising a greater fiscal discipline, I am very worried about what is happening in the financial system in the States. And that is why even when I have reduced the expenditure of the Central Government, I have transferred to the States at least Rs. 4,000 crores more.

The States will have to cooperate with the Central Government if the fiscal system is to be brought into sound health. I am convinced that if we do that, in the year 1992-93, in 1993-94, I think I can come back to this august House with far more ambitious programmes in the area of poverty eradication, in the area of controlling regional imbalances and I do propose to devote more expenditure on education, on health, on agriculture, including aquaculture as Shri

Mani Shankar Aitar reminded me that agriculture should include and does include aquaculture.

So, therefore I do not want to buy this argument that this Budget is anti-poor, because what hurts the poor most is inflation. And you cannot control inflation by merely spending more money. I could have also been a very popular Finance Minister, for the moment, if I had come to this House with large scale increases in spending on seemingly priority sectors and then gone to the Reserve Bank printing press to finance that expenditure. I think that would have been the greatest deception with the people of India.

I have chosen the more honest way of treating our people as self-respecting people, knowing full well that our people will fully appreciate the gravity of the economic situation. I have faith in our people. They understand it. And the type of response that this Budget is getting is the convincing proof of that. I know, who are the people unhappy. Those who smuggle gold into our country, they are of course unhappy. Those who are the patrons of the *hawala* trade in our country, they are unhappy. (Interruptions) But honest citizens in our country are today happy. They are trying to reduce the load of excessive bureaucracy. They are trying to reduce the scope for corruption. They are trying to make for a more transparent, a more sincere economic mechanism so that the Government should be an open book. Therefore, I submit to you that this is not a Budget, which is against the poor of prich (Interruptions)

While I am on the subject, I do want to mention to this House-I have mentioned this many times before-that we accept help from international agencies; we will continue to receive help. But this will never be at a cost of India's self-respect; India's honour and India's national interests. This I solemnly promise this House. But it must be understood that when you are dealing with creditors, there are conditionalities and this is not for the first time. Today, I think, in the State of West Bengal there are about 11 World Bank projects.

(Interruptions)*

MR. SPEAKER : The objectionable words will not form part of the record. should have done that.

SHRI MANMOHAN SINGH: I will read out. I support the West Bengal Government on this. They have done a right thing. Let me educate the Members of the West Bengal about the conditions that have been accepted by the West Bengal Government willingly and voluntarily. Now, I think, we should bring a charge against the Finance Minister of West Bengal for having leaked the Budget papers to the World Bank. I read out to you what promises they have made.

Calcutta Urban Development III Project: Calcutta Metropolitan Corporation to increase total ratable values of properties by 1986-87 to specified levels; revaluation of property tax in CMA Municipalities, HMC, CMC if found inadequate in evaluation to be completed by December, 1983; full cost recovery for water supply by 1987-88 for CMC....
(Interruptions)

SHRI TARIT BARAN TOPDAR (Barrackpore): Sir, this is unbecoming of the Union Finance Minister (Interruptions)

THE PRIME MINISTER (SHRI P.V. NARASIMHA RAO): Sir, I am requesting the Finance Minister to go to the next point. We do not have any wish to create angry scenes from any section of the House. I think enough has been seen.

SHRI SOMNATH CHATTERJEE (Bolpur): Sir, since the Prime Minister has intervened, let me say that this is not the occasion to trade charges with the Finance Minister. The Prime Minister has said what he has said. But I would have expected that the Finance Minister, while replying to a budget debate in the Parliament of India, would not try to give an incomplete picture to the House and the nation. I can only say this... (Interruptions). I am not angry. The Prime Minister can expect it from me that I am not angry but I am unhappy. In his eagerness he has tried to bolster up a case, the weakness of which he himself is aware of. He can only take comforts from the West Bengal Government but on correct facts. He

SHRI MANMOHAN SINGH: Mr. Speaker, Sir, I am saying this not to criticise the West Bengal Government. I think the West Bengal Government did the right thing.
(Interruptions)

SHRI RUPCHAND PAL (Hoogli): That is not the question, Sir. He should be very clear and specific about the different types, different kinds of all those loans. He is confusing the structural adjustment loans with the loans taken by the State Government... (Interruptions)

SHRI TARIT BARAN TOPDAR: There is a point of order, Sir.

MR. SPEAKER: Let me hear his point of order.

SHRI TARIT BARAN TOPDAR: Sir, the Finance Minister has raised a very controversial issue. I request the Chair to fix some items to clarify what he has said and hear the reply from the other side also.

MR. SPEAKER: There is no point of order. Yes, Mr. Minister.

SHRI MANMOHAN SINGH: Sir, I repeat, I am not saying all this in any spirit of criticism of the Government of West Bengal. I have great respect for the hon. Chief Minister of West Bengal and let me say that it was not my intention in any way that those whom Marx has united, their Finance Minister should disunite. So, I do not want to create any problems for the Government of West Bengal. I think the Government of West Bengal did the right thing in this and, therefore, there is not ground for... (Interruptions)

SHRI RUPCHAND PAL: Sir, he is trying to confuse the structural adjustment loan with taken the loans by the West Bengal Government... (Interruptions). He is trying to hide the facts... (Interruptions).

SHRI ANIL BASU: It is very unfair, Sir... (Interruptions).

SHRI AMAL DATTA: How did he start that topic...*(Interruptions)*. Sir, you please have this expunged. Whatever has been said about the West Bengal Government, you please have it expunged from the records of the House because he has no right to say that. Now he is pretending as if he was saying something which....*(Interruptions)*. I say that there is nothing to answer. You have to expunge it. It is not within the powers of the hon. Finance Minister...*(Interruptions)*.

MR SPEAKER: Yes, please continue Mr. Minister.

THE MINISTER OF AGRICULTURE (SHRI BALRAM JAKHAR): Sir, there is one couplet:

*"Hum aah bhi bharte hain to ho jaate hain badnam
Vo kall bhi karte hain, to charcha nahin hota."*

MR. SPEAKER: Well, I must say that this Budget is a poetic Budget.

SHRI MANMOHAN SINGH: Sir, Shri Atal Bihari Vajpayee brought up the issue of there being too many amendments to the Finance Bill. I do admit that there have been too many amendments. But in the situation in which we were placed of major structural reforms, I could not help it. But I do take the message and that as far as possible, whenever basic structural reforms are being made, I think the House should have greater time. But this time we had to work at a great speed. Also we had limited time. Our Government was in office only for eight months. These were the essential changes which were necessary to give a new sense of direction to our economy. If I had left the tax system unattended, I think the incentive effect and the allocative effect of the economic policy changes that we have made - would have been diluted. Therefore, I submit to this august House that in the situation in which we were placed, we had no other alternative this time. Atalji also raised the point - are we preparing the tax administration to cope with the new responsibility? I submit that moderation in tax rates is good. But with modera-

tion must come firmer enforcement. I assure this House that I stand committed and our Government stand committed to stricter enforcement and that all those who evade taxes will be brought to book. The law enforcement machinery will be tightened. I do hope so. Therefore, when I come before this House next year, I will be able to report positive progress in this important area.

Several suggestions have been made in the area of direct taxes and indirect taxes. Atalji raised the point about raising the exemption limit. I have mentioned not probably in this House, but elsewhere that in all these matters one has to have a sense of balance and a sense of proportion. Quite honestly, to the Finance Minister, I can win the cheers of the House with very little cost. But at whose cost? That cost will be borne by the State Governments. If you take the task of poverty removal seriously, if you feel that more resources are to go into education, if you feel that more resources are to go into agriculture, and these are essentially State subjects who would suffer? It is in this spirit that I appeal to the House to appreciate the difficulties that I have in accepting the various proposals. But I do keep an open mind. Any charges that I do bring about, have to be incorporated as amendments to the Finance Bill and during the intervening period I propose to listen to the debates here and to talk various people.

As Atalji said, I will talk to various State Governments also as to how they are affected by various concessions. I will come back to this House when I move the Finance Bill.

As part of the package for restructuring the Income-tax law, in my Budget speech for 1992-93 I have proposed raising of the exemption limit in the case of individuals and H.U.F. reduction in tax rate, income in the monetary limit for the levy of Surcharge and withdrawal of certain taxes. A large number of representations have been received to the effect that the withdrawal of deduction under Section 80 L of Income Tax Act will increase the tax liability of tax payers in the lower and middle income groups who have specified

income form specified savings instruments. Banks have also represented that the withdrawal of Section 80L will adversely affect the mobilisation of savings point of view. I would like to assure this august House that Government will not remain insensitive to these and other representations for and on behalf of the lower and middle income groups. All these representations are being carefully examined and such concessions as are necessary would be extended through suitable amendments to the Finance Bill, 1992-93 at the appropriate time.

While presenting the Budget, I had proposed to reduce the duty rate on project imports and general machinery from 80 per cent to 60 per cent. I would like to say that I have received large number of representations with regard to customs, with regard to excise and I have not had the time to go into all these details. But two or three areas which require immediate action because of the serious consequences, I thought I should take this opportunity to deal with them and therefore, I crave your indulgence to mention these. I said, while presenting the Budget, I had proposed to reduce the duty rate on project imports and general machinery from 80 per cent to 60 per cent. I have received several representations that this reduction is not sufficient. Exporters in particular have represented that duties on capital goods need to be reduced if we are to promote the investment in export areas. I have given careful thought to these representations and I find that there is considerable substance in these representations. Since it is our intention to reduce customs duties progressively over the next three to four years, I feel we can make some further modest adjustment immediately. Accordingly, I proposed to reduce the import duty on this critical sector, namely, project imports and general machinery which are currently attracting a duty rate of 60 per cent to the level of 55 per cent. Rates of duty on components of these capital goods will be correspondingly lowered to maintain the existing differential.

Sir, in the Budget I had also proposed removal of certain end use notifications for concessional duty imports in view of the reduction in tariff peaks. Consequently, the rate of import duty on components of fuel efficient light commercial vehicles had gone up from 50 per cent to 80 per cent. This is a measure about which Shri George Fernandes also drew my attention yesterday. The excise duty on these vehicles was also increased from 10 per cent to 15 per cent. It has now been represented that the increase in the import duty, coupled with the increase in excise duty has placed an excessive burden on the light commercial vehicle industry. In view of the difficulties expressed and in consideration of the fact that such vehicles are generally used as goods carriers, I propose to restore the import duty on components of such fuel efficient commercial vehicles to the level prevailing before the 1st March 1992.

Sir, as part of my Budget proposals I had rationalised the import duty rates on rags and synthetic wastes. In that process the duty on rags which was 35 per cent prior to the 1st March 1992, went up to 110 per cent. Simultaneously the duty rate on synthetic waste was brought down to 110 per cent as part of the reduction of tariff peaks. The duty rationalisation was intended to achieve the twin objectives of discouraging misuse of the concessional rate through import of unutilised rags and of compensating the loss of revenue on account of the reduction of the import duty on synthetic waste. Some Members of Parliament have brought to my notice that this rationalisation has gravely affected the shoddy wool industry which is different on imported rags. The shoddy wool industry contains many small units which cannot bear this burden at this stage. I, therefore, propose to withdraw the increase in the import duty on rags and bring it down to 35 per cent.

Sir, the loss of revenue on account of the concessions is about Rs. 245 crores. Copies of the notifications giving effect to the charges in the duty rates will be laid on the Table of the House in due course.

Sir, I believe I had covered most of the points that were raised in the debate. I must apologise to all those Members whose points I have not been able to cover. I will carry the record with the care that it deserves. If there are any particular points which require detailed discussion with hon. Members individually, I would be very happy and I would like to discuss the various points raised by all of them individually.

With these words, Sir, I once again thank the hon. Members for the points which they have made in this House, for the support that this Budget has received as well as for the criticism that has been made on the other side.

SHRI SOMNATH CHATTERJEE (Bolpur): One clarification, Sir. (*Interruptions*). He is in a happy mood and he will answer two questions. (*Interruptions*).

MR. SPEAKER: Will not the Finance Minister invite Somnathji for Lunch or Dinner and discuss?

(*Interruptions*)

19.00 hrs.

SHRI SOMNATH CHATTERJEE (Bolpur): Mr. Speaker, Sir, the Finance Minister is very happy and I think, in his happy mood he will answer two questions.

This is represented to me by some small scale units about the import of certain things. This is regarding *advalorem* duties on imports. Will the rupee value of imports be calculated on the basis on official exchange rates or the market rates obtaining at the time of contract or at the time of clearance because of the convertible rupee? If it is the latter rate, then to what extent import duty concessions will be affected by producing

foreign exchange at the market rate?

Then, the unprecedented stock exchange boom has led to huge profits. I would like to know whether any special measure is being taken to collect taxes from such profits.

These are the two things which I want to know.

SHRI MANMOHAN SINGH: Sir, the system of partial convertibility that we have introduced is a system which provides a great stimulus to exports as well as to efficient import substitution. Contrary to what some hon. Members have said, that this is an attempt to de-industrialise India, it is nothing of that sort and therefore what is proposed is that the duty will be collected at the market exchange rates.

As regards the second question, anybody, I think, who makes profits will have to account for them for the purposes of taxation.

MR. SPEAKER: I shall now put the Demands for Grants on Account (General) for 1992-93 to vote.

The question is:

"That the respective sums not exceeding the amounts on Revenue Account and Capital Account shown in the third column of the Order Paper be granted to the President out of the Consolidated Fund of India, on account, for or towards defraying the charges during the year ending on the 31st day of March, 1993 in respect of the heads of demands entered in the second column thereof against Demand Nos. 1 to 27, 29, 30, 32 to 89, 91, 93 to 98."

The motion was adopted

List of Demands for Grants on Account (General) for 1992-93 voted by the Lok Sabha

No. of Demand	Name of Demand	Amount of Demand for Grant on Account voted by the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
Ministry of Agriculture			
1.	Agriculture	358,41,00,000	1,41,00,000
2.	Other Services of Dept of Agri. & Cooperation	25,27,00,000	93,43,00,000
3.	Department of Agricultural Research and Education	62,60,00,000	.....
4.	Department of Animal Husbandry and Dairying	41,69,00,000	10,76,00,000
Ministry of Chemicals and Fertilisers			
5.	Department of Chemicals and Petrochemicals	3,41,00,000	4,02,00,000
6.	Department of Fertilisers	1598,70,00,000	21,44,00,000
Ministry of Civil Aviation And Tourism			
7.	Department of Civil Aviation	9,57,00,000	4,70,00,000
8.	Department of Tourism	12,98,00,000	2,76,00,000
Ministry of Civil Supplies and Public Distribution			
9.	Ministry of Civil Supplies and Public Distribution	1,75,00,000	26,00,000
Ministry of Coal			
10.	Ministry of Coal	28,33,00,000	120,00,00,000
Ministry of Commerce			
11.	Department of Commerce	501,93,00,000	45,32,00,000
12.	Department of Supply	4,63,00,000	...

No. of Demand	Name of Demand	Amount of Demand for Grant on Account voted by the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
Ministry of Communications			
13.	Min of Communications	1,56,00,000	....
14.	Postal Services	259,78,00,000	11,46,00,000
15.	Telecommunication Services	880,75,00,000	669,83,00,000
Ministry of Defence			
16.	Ministry of Defence	250,46,00,000	18,96,00,000
17.	Defence Pensions	353,28,00,000	...
18.	Defence Services-Army	1489,54,00,000	...
19.	Defence Services-Navy	170,01,00,000	...
20.	Defence Services-Air Force	421,08,00,000	...
21.	Defence Ordnance Factories	352,81,00,000	...
22.	Capital Outlay on Defence Services Ministry of Environment and Forests	...	19,261,400,000
23.	Ministry of Environment and Forests Ministry of External Affairs	51,96,00,000	95,00,000
24.	Ministry of External Affairs Ministry of Finance	99,52,00,000	11,55,00,000
25.	Department of Economic Affairs	73,66,00,000	23,22,00,000
26.	Currency, Coinage and Stamps	66,51,00,000	30,06,00,000
27.	Payments to Financial Institutions	102,08,00,000	5435,81,00,000
29.	Transfers to State Governments	945,89,00,000	24,16,00,000
30.	Loans to Government Servants etc.	....	38,76,00,000
32.	Department of Expenditure	76,30,00,000	55,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account voted by the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
33.	Pensions	100,02,00,000	....
34.	Audit	48,60,00,000	....
35.	Department of Expenditure	24,26,00,000	25,00,000
36.	Direct Taxes	45,75,00,000	15,00,00,000
37.	Indirect Taxes	73,00,00,000	23,31,00,000
	Ministry of Food		
38.	Ministry of Food	441,58,00,000	23,10,00,000
	Ministry of Food Processing Industries		
39.	Ministry of Food Processing Industries	5,52,00,000	1,11,00,000
	Department of Health and Family Welfare		
40.	Department of Health	95,37,00,000	28,88,00,000
41.	Department of Family Welfare	183,29,00,000	3,00,000
	Ministry of Home Affairs		
42.	Ministry of Home Affairs	52,77,00,000	2,16,00,000
43.	Cabinet	2,04,00,000	....
44.	Police	537,68,00,000	45,73,00,000
45.	<i>Other Expenditure of the Ministry of Home Affairs</i>	52,19,00,000	20,71,00,000
46.	<i>Transfers to Union Territory Governments</i>	16,54,00,000	9,71,00,000
	Ministry of Human Resource Development		
47.	Department of Education	285,63,00,000	9,00,000
48.	Department of Youth Affairs and Sports	18,44,00,000	33,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account voted by the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
49.	Art and Culture	21,02,00,000	....
50.	Department of Women and Child Development	81,44,00,000	17,00,000
	Ministry of Industry		
51.	Department of Industrial Development	52,72,00,000	32,00,000
52.	Department of Heavy Industry	6,22,00,000	48,31,00,000
53.	Department of Public Enterprises	24,00,000	....
54.	Department of Small Scale Ind. & Agro And Rural Industries	53,65,00,000	32,26,00,000
	Ministry of Information and Broadcasting		
55.	Ministry of Information and Broadcasting	17,20,00,000	4,45,00,000
56.	Broadcasting Services	158,71,00,000	59,50,00,000
	Ministry of Labour		
57.	Ministry of Labour	69,91,00,000	12,00,000
	Ministry of Law, Justice and Company Affairs		
58.	Law and Justice	23,83,00,000	....
59.	Department of Company Affairs	1,83,00,000	1,00,000
	Ministry of Mines		
60.	Ministry of Mines	21,84,00,000	7,13,00,000
	Ministry of Parliamentary Affairs		
61.	Ministry of Parliamentary Affairs	20,00,000	....
	Ministry of Personnel, Public Grievances and Pensions		
62.	Ministry of Personnel, Public Grievances and Pensions	8,86,00,000	38,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account voted by the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
Ministry of Petroleum and Natural Gas			
63.	Ministry of Petroleum and Natural Gas	8,70,00,000	50,00,00,000
Ministry of Planning & Programme Implementation			
64.	Planning	14,57,00,000	1,67,00,000
65.	Department of Statistics	8,54,00,000	15,00,000
66.	Department of Programme Implementation	14,00,000	....
Ministry of Power & non-Conventional Energy Sources			
67.	Department of Power	79,62,00,000	327,66,00,000
68.	Department of non-Conventional Energy Sources	20,74,00,000	76,00,0000
Ministry of Rural Development			
69.	Ministry of Rural Development	1216,87,00,000	8,00,000
Ministry of Science and Technology			
70.	Department of Science and Technology	42,45,00,000	5,08,00,000
71.	Department of Scientific and Industrial Research	45 58,00,000	68,00,000
72.	Department of Biotechnology	12,80,00,000	...
Ministry of Steel			
73.	Ministry of Steel	69,00,000	214,68,00,000
Ministry of Surface Transport			
74.	Surface Transport	5,31,00,000	9,50,00,000
75.	Roads	69,12,00,000	88,09,00,000
76.	Ports, Lighthouses and Shipping	21,82,00,000	39,73,00,000

737 Gen. Budget, 1992-93-Gen. CHAITRA 6, 1914 (SAKA) and suppl. Demands for 738
 Diss.; Demands for Grants on Account (Gen.), 1992-93; Grants (Gen.), 1991-92

No. of Demand	Name of Demand	Amount of Demand for Grant on Account voted by the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
Ministry of Textiles			
77.	Ministry of Textiles	122,11,00,000	27,64,00,000
Ministry of Urban Development			
78.	Urban Development and Housing	37,35,00,000	36,11,00,000
79.	Public Works	44,61,00,000	16,52,00,000
80.	Stationery and Printing	19,90,00,000	35,00,000
Ministry of Water Resources			
81.	Ministry of Water Resources	50,56,00,000	3,02,00,000
Ministry of Welfare			
82.	Ministry of Welfare	77,50,00,000	7,15,00,000
Department of Atomic Energy			
83.	Atomic Energy	85,66,00,000	82,34,00,000
84.	Nuclear Power Station	65,92,00,000	25,67,00,000
Department of Electronics			
85.	Department of Electronics	13,14,00,000	1,28,00,000
Department of Ocean Development			
86.	Department of Ocean Development	6,77,00,000	1,26,00,000
Department of Space			
87.	Department of Space	71,86,00,000	13,74,00,000
Parliament, Secretariats of President and Vice-President, Union Public Service Commission			
88.	Lok Sabha	4,54,00,000	....
89.	Rajya Sabha	1,61,00,000	....

No. of Demand	Name of Demand	Amount of Demand for Grant on Account voted by the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
91.	Secretariat of the Vice-President	5,00,000	....
	Union Territories with Legislature		
93.	Delhi	188,33,00,000	140,40,00,000
94.	Andaman and Nicobar Islands	30,58,00,000	25,83,00,000
95.	Dadra and Nagar Haveli	6,07,00,000	2,35,00,000
96.	Lakshadweep	8,38,00,000	2,15,00,000
97.	Chandigarh	36,10,00,000	9,04,00,000
98.	Daman And Diu	4,37,00,000	2,06,00,000
	Total Revenue/ Capital	12967,17,00,009	953,05,00,000

SHRI RAM NAIK (Bombay North): Mr. Speaker, Sir, I am on a point of order. This is a vote on Account. We must have an assurance from the Finance Minister that no new item will be taken into expenditure in the demands which have been passed and for which Vote on Account has been given just now. The Finance Minister must assure this, because under the Constitution, he cannot use the amount which we are voting now for the new projects.

MR. SPEAKER: I think he will perfectly follow the Constitution. I am sure that the Finance Minister will follow the Constitution, laws and rules.

SHRI SOMNATH CHATTERJEE: Sir, he should follow the Constitution, but not by the interpretation of Mr. Chidambaram. He goes by the US interpretation.

MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): At least I go by the law, but you go by the law of jungle.

MR. SPEAKER: I shall now put the Supplementary Demands for Grants (General) for 1991-92 to vote:

The question is:

"That the respective supplementary sums not exceeding the amounts on Revenue Accounts and Capital Accounts shown in the third column of the Order Paper be granted to the President out of the Consolidated Fund of India to defray the charges that will come in course of payment during the year ending 31st day of March, 1992 in respect of the following demands entered in the second column thereof.

THE MINISTER OF STATE OF THE

Demands Nos. 1,2,4,5,6,7,9,11,15, 16,

741 Gen. Budget, 1992-93-Gen CHAITRA 6, 1914 (SAKA) and suppl. Demands for 742
 Diss.; Demands for Grants on Account (Gen.), 1992-93; Grants (Gen.), 1991-92
 17, 18, 19, 20, 24, 25, 26, 27, 30, 34, 36, 38, 87, 89, 93, 94, 96 and 97.”
 40, 41, 43, 44, 46, 47, 49, 51, 52, 54, 58, 60,
 62, 65, 67, 70, 76, 78, 79, 81, 83, 84, 85, 86, The motion was adopted

List of Demands for Grants on Account (General) for 1992-93 voted by the Lok Sabha

No. of Demand	Name of Demand	Amount of Demand for Grant on Account voted by the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
Ministry of Agriculture			
1.	Agriculture	280,35,00,000	....
2.	Other Services of Dept of Agri. & Cooperation	1,00,000	75,22,00,000
4.	Department of Animal Husbandry and Dairying	2,00,000	21,50,00,000
Ministry of Chemicals and Fertilisers			
5.	Department of Chemicals and Petrochemicals	.....	11,67,00,000
6.	Department of Fertilisers	956,13,00,000	2,80,00,000
Ministry of Civil Aviation And Tourism			
7.	Department of Civil Aviation	10,00,00,000	.....
Ministry of Civil Supplies and Public Distribution			
9.	Ministry of Civil Supplies and Public Distribution	.....	1,00,00,000
Ministry of Commerce			
11.	Department of Commerce	535,98,00,000	....
Ministry of Communications			
15.	Telecommunication Services	36,68,00,000	221,99,00,000
Ministry of Defence			
16.	Ministry of Defence	139,77,00,000	....
17.	Defence Pensions	90,00,00,000	....
18.	Defence Services-Army	137,77,00,000	....
19.	Defence Services-Navy	49,98,00,000	....

No. of Demand	Name of Demand	Amount of Demand for Grant on Account voted by the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
20.	Defence Services-Air Force	288,23,00,000	....
	Ministry of External Affairs		
24.	Ministry of External Affairs	48,09,00,000	....
	Ministry of Finance		
25.	Department of Economic Affairs	2,20,00,000	....
26.	Currency, Coinage and Stamps	....	1,00,000
27.	Payments to Financial Institutions	104,18,00,000	4,00,000
30.	Transfers to State Governments	1153,03,00,000	....
34.	Audit	7,34,00,000	....
36.	Direct Taxes	15,50,00,000	....
	Ministry of Food		
38.	Ministry of Food	246,88,00,000	....
	Department of Health and Family Welfare		
40.	Department of Health	.....	6,82,00,000
41.	Department of Family Welfare	122,42,00,000	....
	Ministry of Home Affairs		
43.	Cabinet	3,14,00,000	....
44.	Police	135,16,00,000	1,00,000
46.	Transfers to Union Territory Governments	....	10,00,000
	Ministry of Human Resource Development		
47.	Department of Education	3,00,000	....
49.	Art and Culture	2,00,000	25,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account voted by the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
Ministry of Industry			
51.	Department of Industrial Development	1,00,000	....
52.	Department of Heavy Industry	2,00,000	51,77,00,000
54.	Department of Small Scale Ind. & Agro And Rural Industries	1,00,000	....
Ministry of Law, Justice and Company Affairs			
58.	Law and Justice	2,00,000	....
Ministry of Mines			
60.	Ministry of Mines	5,98,00,000	....
Ministry of Personnel, Public Grievances and Pensions			
62.	Ministry of Personnel, Public Grievances and Pensions	....	2,15,00,000
Ministry of Planning & Programme Implementation			
65.	Department of Statistics	....	245,00,000
66.	Department of Programme Implementation	14,00,000	....
Ministry of Power & Non-Conventional Energy Sources			
67.	Department of Power	1,00,000	2,00,000
Ministry of Science and Technology			
70.	Department of Science and Technology	7,88,00,000	....
Ministry of Surface Transport			
76.	Ports, Lighthouses and Shipping	1,00,000	28,69,00,000
Ministry of Urban Development			
78.	Urban Development and Housing	....	1,98,00,000

No. of Demand	Name of Demand	Amount of Demand for Grant on Account voted by the House	
		Revenue Rs.	Capital Rs.
1	2	3	4
79.	Public Works	16,36,00,000	1,00,000
	Ministry of Water Resources		
81.	Ministry of Water Resources	....	4,88,00,000
	Department of Atomic Energy		
83.	Atomic Energy	....	1,00,000
84.	Nuclear Power Schemes	....	1,50,00,000
	Department of Electronics		
85.	Department of Electronics	1,00,000	....
	Department of Space		
87.	Department of Space	25,98,00,000	....
	Parliament, Secretariats of President and Vice-President, Union Public Service Commission		
89.	Rajya Sabha	84,00,000	....
	Union Territories with Home Affairs Union Territories		
93.	Delhi	11,19,00,000	8,00,000
94.	Andaman and Nicobar Islands	29,91,00,000	1,48,00,000
96.	Lakshadweep	2,91,00,000	39,00,000
97.	Chandigarh	27,32,00,000	90,00,000
	TOTAL	4488,37,00,00	437,72,00,000