

Hon. members are aware that India has always desired a peaceful, friendly and mutually beneficial relationship with Pakistan based on confidence and respect for each other's concerns. I have already said on the floor of both Houses and I would like to reiterate that a secure and prosperous Pakistan is in India's interest. Our vision of our bilateral relationship is not confined to a resolution of outstanding issues, but is also directed to the future by seeking to build a stable structure of cooperation, which will benefit the people of both countries. As I wrote recently to Prime Minister Nawaz Sharif, we must not remain mired in the past, prisoners of old contentions. And I say to him today, let us put the past behind us, let us think of the welfare of our children and grand children. We have remained committed to a path of direct bilateral dialogue with Pakistan. This reflects the nation's conviction and confidence that it is only through direct discussions in a sustained and constructive manner that we can move ahead in our bilateral relationship. I would again like to reiterate our desire for the earliest resumption of the official talks with Pakistan. The subject for discussions including peace and security, (along with confidence building measures) Jammu and Kashmir, economic and commercial cooperation and cross-border terrorism have been identified. Our proposals for the modalities of these talks have been with Pakistan since January this year. We await their response. We have also made it clear once again that there is no place for outside involvement of any nature whatsoever in our dialogue process with Pakistan.

Hon. Members have expressed strong reservations against attempts to internationalise the Kashmir issue. There is simply no question of India ever agreeing to such internationalism. UN Security Council has chosen to mention Kashmir in its Resolution. This is unacceptable and does not change the reality that the State of Jammu and Kashmir is an integral part of the Indian

Union. I would also like to draw the attention of the Hon. Members to the terms in which Kashmir finds mention in the Resolution. The UN Security Council has recognised that bilateral dialogue has to be the basis of India-Pakistan relations and mutually acceptable solutions have to be found for outstanding issues including Kashmir. This is in keeping with our position. Thank you.

DR. BIPLAB DASGUPTA (West Bengal): Sir, it is a full-fledged statement. Can we have a copy of the statement? Can we also seek clarifications?

MR. CHAIRMAN: Earlier, you had agreed not to seek clarifications. (*Interruptions*).

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): He was reacting to the remarks made by the hon. Members. (*Interruptions*).

DR. BIPLAB DASGUPTA: That is not true. (*Interruptions*).

MR. CHAIRMAN: Shri Sikander Bakht. (*Interruptions*).

DR. BIPLAB DASGUPTA: Sir, it was a full-fledged statement. (*Interruptions*).

MR. CHAIRMAN: Now Shri Sikander Bakht will make a statement. Copies of the statement may be circulated.

#### STATEMENT BY MINISTER

##### **Maruti Udyog Limited**

THE MINISTER OF INDUSTRY (SHRI SIKANDER BAKHT): Mr. Chairman Sir, I wish to make a statement concerning the dispute which has been going on over the last year between Government of India and Suzuki Motor Corporation Japan (SMC), over the appointment of the Managing Director of the Joint Venture Co. Maruti Udyog Limited (MUL). A request for arbitration was filed before the International Court of Arbitration (ICA) of the International Chamber of Commerce by SMC and the arbitration proceedings are currently going on. As Hon'ble Members are

aware the automobile industry is currently witnessing several important developments with the approval of several new projects for car manufacturing under the current policy of the Government. MUL, which holds a dominant share, in the market would need to take note of the increasing competition and undertake measures to sustain its market share. The misunderstanding between the two joint venture partners has been unfortunately placing obstacles in this regard.

Keeping in view the need to settle the differences quickly and concentrate on the more vital questions of business development and technology upgradation, Government of India have responded for a negotiated settlement outside the arbitration proceedings. I am happy to announce that Government and SMC have signed a Memorandum of Understanding and Settlement whereby SMC will withdraw the arbitration proceedings before the ICA.

Briefly, the main terms of the settlement are:

1. The term of the present M.D. Shri R.S.S.L.N. Bhaskarudu will be up to the end of 31st December, 1999 and from 1st January, 2000, Shri Jagdish Khattar, currently Executive Director of MUL, would be appointed as M.D.
2. The nominee of SMC will be appointed as Chairman of MUL.
3. In future, all appointments of Chairman and Managing Director by either Government of India or SMC will be only in consultation and with the concurrence of the other party.

I hope now Maruti Udyog Ltd., will be able to undertake all necessary steps to sustain its leadership in the Indian Automotive industry and grow from strength to strength to become a truly global player with the full co-operation of both the Government of India and SMC.

SHRI VAYALAR RAVI (Kerala): Sir, if we read the main terms of the settlement, it appears that we have succumbed to the pressure of SMC by conceding that from 1st January, 2000 Shri Jagdish Khattar would be appointed as Managing Director. I would like to know from the hon. Minister whether Shri Jagdish Khattar is the nominee of SMC or the Government of India. That is number one. Secondly, if there will be Managing Director from one side and Chairman from the other side, what will be the position of Chairman when the name of Managing Director is suggested by SMC?

There is some confusion about the third point. Term No. 3 says, "In future, all appointments of Chairman and Managing Director by either the Government of India or the SMC will be only in consultation and with the concurrence of the other party". So far as the appointment of Managing Director is concerned, it is the Government of India which has always been doing it. Are you, for the first time, going to give up the right of the Government of India to appoint the Managing Director? These are my three points. Thank you.

SHRIMATI JAYANTHI NATARAJAN (Tamil Nadu): Sir, I would like to seek a few clarifications. The statement very carefully sets out the date about the present M.D. Shri Bhaskarudu. Is it a fact that the term of the present Managing Director, Shri Bhaskarudu, has been whittled down from five years to two years? Also, earlier when the Chairman of the Maruti Udyog Limited was always a Government nominee, you have now agreed with Suzuki to allow their nominee to be the Chairman of the Maruti Udyog Limited. I would like to know whether there is a proposal to appoint a Joint Managing Director nominated by Suzuki to have additional powers along with the Managing Director, which will completely take all the powers and control of the Maruti Udyog Limited out of the Indian hands and would put it in the hands of the Suzuki Corporation

amounting to a complete sell-out of what we have been trying to hold on to all this time. I would request the Minister to respond to my clarifications.

**श्री मोहम्मद सलीम** (पश्चिमी बंगाल) : सभापति महोदय, जिस तरह से यह इनआकुअस स्टेटमेंट पेश किया गया है, इतनी सरल बात नहीं है। जो ओरिजिनल एग्रीमेंट था सुजुकी मोटर कारपोरेशन और मारुति उद्योग लिमिटेड का गवर्नमेंट आफ इंडिया के साथ, उसमें यह कहा गया था बाई टर्न एक बार उनकी च्वाइस के होंगे और एक बार हमारी च्वाइस के होंगे। उस समय सरकार के विरोध में हमारा यह ओब्जेक्शन था कि सरकार के पास जो आप्शन था, उसको उन्होंने एक्सरसाइज नहीं किया। बाद में एग्रीमेंट को बदला गया। आज मंत्री महोदय जो स्टेटमेंट ले कर आए हैं उस में ओरिजिनल स्टेटमेंट जो सब्सिडियुंटे पोलीशन थी जिसके आधार पर चेयरमैन और एम0डी0 नामिनेट किया जाता था बाई टर्न, पहले एक बार वह करेंगे और एक बार हम करेंगे, उसके बारे में कोई जिद नहीं है बल्कि इनका बहाना यह है कि बाजार में चूंकि मारुति का शेयर रखना है इसलिए हमने सरेंडर कर दिया है। सवाल एम0डी0 वा चेयरमैन का नहीं था। इस सदन में कई बार बहस हुई है। इस सदन को एश्योरेंस कमेटी की रिपोर्ट है जो सरकार के पास जमा है। सरकार उसके ऊपर ऐक्शन लेने के लिए बाध्य थी। सवाल यह है कि मारुति उद्योग को कुछ सहूलतें दी गई थी पब्लिक सेक्टर उद्योग की हैसियत से मार्किट लीडर बनने के लिए और दूसरी तमाम कंपनियों को रोका गया था, रमाल कार मैन्युफैक्चर करने के लिए। मारुति उद्योग जब मार्किट लीडर बन गया तो दो दिन में सरकार ने उसके हाथ में कंट्रोल दे दिया। कहने को फिफटी था, पूरा नहीं लेकिन फेक्चुअली यह समझा गया, हमने उस वक्त भी यही कहा था कि फार ऑल प्रेक्टीकल परफेज टोटल कंट्रोल उनका होगा। (व्यवधान)

Mr. CHAIRMAN: The Minister has to be there in the other House by 2 o' clock. You put your questions so that he can reply as well.

SHRI MD. SALIM: Without the background, I cannot put my question.

MR. CHAIRMAN: Do anything but he has to go by 2 o' clock.

**श्री मोहम्मद सलीम** : चेयरमैन साहब, मैं सीधे सवाल पूछ लेता हूँ। मैं यह कह रहा था कि यहां पर इसका जिद नहीं किया गया है। उसमें यह कहा कि

इंटरनेशनल आरबिट्रेशन को हटाने के लिए और मारुति के मार्किट शेयर को रखने के लिए हम सिर्फ ऐसा कर रहे हैं। ओरिजिनल एग्रीमेंट में जो भारत सरकार का अधिकार है, वह कहा जाएगा? उसकी जगह पर क्या आप यह समझते हैं कि सवाल एक मल्टीनेशनल कम्पनी विज़-ए-विज़ स्वदेशी सरकार और जिस तरह से हमें प्रोहिबिट करना चाह रहे थे और आप उसी तरह से क्या नीटली उनके आगे सरेंडर नहीं कर रहे इसके ज़रिये से? आपका जो अधिकार है एग्रीमेंट में उनके विरोध में गवर्नमेंट आफ इंडिया ने जब उनका नामिनी सी0एम0डी0 बना था और आपने अपना ऑप्शन एक्सरसाइज नहीं किया था। जब सी0बी0आई0 ने चार्जशीट किया था तब गवर्नमेंट आफ इंडिया ने अपने घुटने टेक दिये थे कि हम कुछ नहीं कर सकते क्योंकि वह उनका नामिनी है। आज जो आपने नामिनेट किया, उनके कहने पर क्यों बदल रहे हैं? गवर्नमेंट आफ इंडिया, प्राइम मिनिस्टर और मिनिस्टर आफ हेवी इंडस्ट्रीज की तरफ से बार-बार कहा गया कि आप अपने नामिनी को बदलो लेकिन उन्होंने कहा कि नहीं उनको पांच साल का अपना टर्म पूरा करना पड़ेगा। आज आपको कह रहे हैं कि आपको बदलना पड़ेगा और पांच साल पूरे नहीं कर के आप बदल रहे हैं। क्या गवर्नमेंट आफ इंडिया से सुजुकी मोटर कारपोरेशन को ज्यादा मजबूती प्रदान कर रहे हैं, क्या यह ज्यादा अख्तियार रखने वाली है? अगर कोई दूसरी सरकार होती तो बात दूसरी थी लेकिन आपके ऊपर तो हमें भरोसा था, आप तो स्वदेशी का नारा देते हैं लेकिन विदेशी कम्पनी के सामने क्यों हथियार डाल रहे हैं जबकि लीगल प्रोविज़न, एग्रीमेंट की क्लॉज़ आप के पक्ष में है?

† شری محمد سلیم "پشچمی بنگال":

سبھا پتی مہودے۔ جس طرح سے یہ "اناکوس اسٹیٹمنٹ" پیش کیا گیا ہے، اتنی سرل بات نہیں ہے۔ جو اور بجنل ایگریمنٹ تھا سوزوکی موٹر کار پوریشن اور ماروتی ادھیوگ لمیٹڈ کا گورنمنٹ آف انڈیا کے ساتھ، اس میں یہ کہا گیا تھا بائی ٹرن ایک بار ان کی چوائس کے ہونگے۔ اس سے سرکار کے

† [ ] Transliteration in Arabic Script

ورودھ میں ہمارا یہ ایجیکشن تھا کہ سرکار کے پاس جو آپشن تھا اسکو انہوں نے ایکسر سائز نہیں کیا۔ بعد میں ایگریمنٹ کو بدلا گیا۔ آج منتری مہودے جو اسٹیٹمنٹ لیکر آئے ہیں اس میں اورینجنل اسٹیٹمنٹ، جو سبجیکٹیو پوزیشن تھی جس کے آدھار پر چیئر مین اور ایم ڈی نامینیٹ کیا جاتا تھا بائی ٹرن، پہلے ایک بار وہ کریں گے۔ اور ایک بار ہم کریں گے۔ اس کے بارے میں کوئی ذکر نہیں ہے بلکہ ان کا جہانہ یہ ہے کہ بازار میں چونکہ ماروقی کاشیئر رکھتا ہے اس لئے ہم نے سرینڈر کر دیا ہے۔ سوال ایم۔ ڈی۔ یا چیئر مین کا نہیں تھا۔ اس سدن میں کئی بار بحث ہوئی ہے۔ اس سدن کی ایشورینس کمیٹی کی رپورٹ ہے جو سرکار کے پاس جمع ہے۔ سرکار اسکے اوپر ایکشن لینے کیلئے باگھیہ تھی۔ سوال یہ ہے کہ ماروقی ادھیوگ کو کچھ سہولتیں دی گئی تھی پبلک سیکٹر ادھیوگ کی حیثیت سے مارکیٹ ڈیلر بننے کے لئے اور دوسری تمام کمپنیوں کو روکا گیا تو دی دیں سرکار نے اس کے ہاتھ میں کنٹرول دے دیا۔ کہنے کو ففٹی ففٹی تھا، پورا نہیں لیکن فیکچوری یہ سمجھا گیا، ہم نے اس وقت بھی یہی کہا تھا کہ آل پریکٹیکلی پر پز ٹوٹل کنٹرول ان کا ہوگا۔

... "مداخلت" ...

MR. CHAIRMAN: The Minister has to be there in the other house by 2 o'clock. You put your questions so that he can reply as well.

SHRI MD. SALEEM: Without the background, I cannot put my question.

MR. CHAIRMAN: Do anything but he has to go by 2 o'clock.

† شری محمد سلیم: چیئر مین،

صاحب، میں سیدھے سوال پوچھ لیتا ہوں۔ میں یہ کہہ رہا تھا کہ یہاں پر اس کا ذکر نہیں کیا گیا ہے۔ اس میں یہ کہاں کی انٹرنیشنل آر بیڈیشن کو ہٹانے کیلئے اور ماروقی کے مارکیٹ شیئر کو رکھنے کیلئے ہم صرف ایسا کر رہے ہیں۔ اورینجنل ایگریمنٹ میں جو بھارت سرکار کا ادھیکار ہے، وہ کہاں جائیگا اسکی جگہ پر کیا آپ یہ سمجھتے ہیں کہ سوال ایک ملٹی نیشنل کمپنی "وزاے وز" سودیشی سرکار اور جس طرح سے ہمیں پروہیٹ کرنا چاہ رہے تھے اور آپ اسی سے کیا نیٹلی انکے آگے سرینڈر نہیں کر رہے اسکے ذریعہ سے؟ آپکا جو ادھیکار ہے ایگریمنٹ میں ان کے ورودھ میں گورنمنٹ آف انڈیا نے جب انکا نامینی سی۔ ایم۔ ڈی۔ بنا تھا اور اپنے اپنا اوپشن ایکسر سائز نہیں کیا تھا۔ جب سی۔ بی۔ آئی۔ نے چارج

† [Transliteration in Arabic Script]

شیٹ نہیں کیا تھا تب گورنمنٹ آف انڈیا نے اپنے گھٹنے ٹیک دیئے تھے، ہم کچھ نہیں کر سکتے کیونکہ وہ ان کا نامینی ہے۔ آج جو آپ نے نامینیٹ کیا، انکے کہنے پر کیوں بدل رہے ہیں؟ گورنمنٹ آف انڈیا، پرائم منسٹر اور منسٹر آف ہیوی انڈسٹریز کی طرف سے بار بار کہا گیا کہ آپ اپنے نامینی کو بدلو لیکن انہوں نے کہا کہ نہیں، ان کو پانچ سال کا اپنا ٹرن پورا کرنا پڑے گا۔ آج آپ کو کہہ رہے ہیں کہ آپ کو بدلنا پڑیگا اور پانچ سال پورے نہیں کر کے آپ بدل رہے ہیں۔ کیا گورنمنٹ آف انڈیا سے سوزوکی موٹر کار پوریشن کو زیادہ مضبوطی پر دان کر رہے ہیں، کیا یہ زیادہ اختیار رکھنے والی ہے؟ اگر کوئی دوسری سرکار ہوتی تو بات دوسری تھی لیکن آپ کے اوپر تو ہمیں بھروسہ تھا، آپ تو سودیشی کی نعرہ دیتے ہیں لیکن ودیشی کمپنی کے سامنے کیوں ہتعیار ڈال رہے ہیں جبکہ لیگل پراویزن، ایگریمنٹ کی کلازیز آپ کے پکش میں ہیں۔

"ختم شد"

SHRI JAYANT KUMAR MALHOUTRA (Uttar Pradesh): Sir, I want to congratulate the hon. Minister and the Government for the sensible

decision that they have taken. We had nothing to offer Suzuki in view of the new situation in India in the automobile industry. Most of the multinationals which are coming here are owned 100 per cent by the foreigners. Therefore, I have only clarification to seek. In view of the restructuring that is taking place all over the world, the scenario has changed. Mercedes and Priseley are merging. Even in India the situation is different. We are allowing Hyundai; we are allowing a number of multinationals to own their companies 100 per cent. I would like to know whether the Government would now like to sell out its 50 per cent at the highest price because the price they are going to get, now they are never going to get again. With the market share of Maruti likely to go down the price of Maruti shares will also go down. Therefore, the best price that they can get is now. I want to ask whether there is any intention on the part of the Government to disinvest this 50 per cent.

SHRI GURUDAS DAS GUPTA: Sir, it is astounding. I must say it is astounding because Suzuki had been putting pressure on the Government of India when United Front Government was in power to see that Mr. Bhaskarudu was not appointed. Sir, I have no preference for any individual. The point is, it is a joint venture. Originally, the Government of India had a leading share in the home company. Unfortunately, at a point of time, under whose advice I do not know, the then Government had disinvested 10 per cent of its shares to make it 50-50. Now the position is, if it is 50-50, then Suzuki cannot veto Government of India's nominee. In the same way Government of India cannot veto their nominee. Suzuki should be allowed to appoint its nominee in the position they are called upon to do according to the provisions of the agreement. In the same way, Government of India should be allowed to appoint its own man. Sir, this right of the Government of India was challenged by Suzuki. If we feel humiliated because of the resolution of the

Security Council, I feel humiliated by the way the Government has bowed down under pressure, not to the dictates of the Government of Japan but to the dictate of the Suzuki management. It is shameful. It is a sell-out, it is not *Swadeshi*. Therefore, I would like you to kindly consider it. Why should we agree to have a short duration tenure for Mr. Bhas-karudu? Why should we agree to have a shorter duration of tenure for Bhas-karudu who is our nominee? It means that we would like to appoint a person according to the choice of Suzuki. Why is Mr. Khattar being appointed? He is appointed because he is a nominee of Suzuki, he is not a nominee of the Government of India. If we accept this, it means in future also the Suzuki management will try to interfere in the independent stand of the Government of India which means we are bowing down. We seem to bow down under the pressure of Suzuki. If the prestige of the country is not safe under the Government led by the present Prime Minister with regard to Suzuki company then the country will very well understand what is the fate of the country, while the present Prime Minister is in power. This Government is too soft, is unable to protect our interest. This Government bows down under pressure. This is national humiliation. This is a question of national humiliation and national humiliation is being perpetrated by a Government that speaks of *Swadeshi*. It is a total sell-out. Sir, in protest we shall walk out and we shall never consider this to be part of an agreement of which we are a part. We want this agreement to be scrapped and if this agreement is not to be scrapped, then the Minister who signed this agreement must be asked to resign. I demand the resignation of the Minister who has signed this agreement. Under whose political leadership this humiliating agreement has been signed? I demand his resignation because all along the United Front Government has withstood the pressure of Suzuki. All along the Government of Gujral withstood the pressure

of Suzuki but Mr. Vajpayee bows down under pressure. This is how. the national interest is safe in the hands of those who had been speaking about the respectability of the nation!

MR. CHAIRMAN: Shri H. Hanumanthappa.

SHRI GURUDAS DAS GUPTA: We must walk out.

SHRI H. HANUMANTHAPPA (Karnataka): Sir, I only need a small clarification. The Government is converting public sector undertakings just like Maruti. In the agreement signed with Maruti Udyog Limited there is a clause that all the policies and programmes of the Government will be implemented. Unfortunately, MUL has been taking a stand that they are not obliged to follow the reservation policy of the Government. Who is looking after this? What is the policy of the Government of the day about reservation in services so far as these companies are concerned? And if MUL violated the reservation policy of the Government, what action the Government is going to take? ... (*interruptions*)...

प्र० विजय कुमार मल्होत्रा : सभापति, सुबह से दो-तीन घंटों में जो बहस हुई और उस में “नेशनल शेम” और “सेल आउट” जैसी बातें कही गयी, मैं पूछना चाहता हूँ कि ये दस परसेंट शेयर जो कि बहुत सस्ते दामों में बेचे थे। वह किस गवर्नमेंट ने बेचे थे, किन्होंने उस पर पैसा लगाया था और किन्होंने उस के बीच में डील की थी (व्यवधान)...

श्री मोहम्मद सलीम : हम यह उम्मीद कर रहे थे ... (व्यवधान)... वह गलत हुआ, उस को आप बाहर निकालो... (व्यवधान)...

SHRI GURUDAS DAS GUPTA: We equally condemn that. (*interruptions*)... We equally condemn that. (*interruptions*) We condemn that. (*interruptions*) But this Government is stepping into their shoes, (*interruptions*)

MR. CHAIRMAN: Let the hon. Member speak.

**प्रो० विजय कुमार मल्होत्रा :** सर, शुरू में जो पोजीशन थी, उस में अपने शेयर हमारे पूर्व थे और पूरी कमांडिंग पोजीशन में थे। उसके बाद इन्होंने शेयर बेचे और बहुत कम कीमत पर बेचे जबकि मार्केट में उस के कहीं ज्यादा पैसे मिल सकते थे। उन को 50 परसेंट पर ले आए और फिर 50 परसेंट पर यह समझौता किया कि एक बार हम करेंगे और एक —दूसरे के एग्रीमेंट से करेंगे। अब यह सारी पोजीशन जिन लोगों ने की, आज वह चार्ज कर रहे हैं कि ये नेशनल शेम है उनके आगे गिर गये हैं...(व्यवधान)...

Everything has been done by you.

आप लोगो की गवर्नमेंट में यह सब कुछ हुआ है और अब अगर हम आकर इस को रिडीम कर रहे हैं तो आप इस तरह के सवाल उठा रहे हैं,

**MR. CHAIRMAN:** Let the hon. Minister reply now. He has to go to the Lok Sabha. (interruptions) Hon. Minister, please.

**श्री सिकंदर बख्त :** सदर साहब, मैं चाहता नहीं था कि यह बहस जिस जगह पहुंच गयी है, वहां जाती। अनफॉर्चुनेटली, जो वक्त गुजर गया है, उस वक्त में क्या-क्या हुआ, किस किस्म का नुकसान इस मुल्क को पहुंचा है, मैं उस का जिक्र करना नहीं चाहता हूं। ... (व्यवधान) ... छोड़ो भाई, मैं तो खाली यह बताना चाहता हूं कि यह गवर्नमेंट ऑफ इंडिया और सुजुकी मोटरस का मामला नहीं था अनफॉर्चुनेटली और फॉर्चुनेटली मामला सिर्फ बिजनेस का था और इस का मैनेजेरियल या एडमिनिस्ट्रेटिव हल निकल सकता था। बदकिस्मती से खींचतान कर यह मामला इतनी दूर पहुंचा दिया गया और कुछ इस किस्म का इम्पेशन पैदा किया गया कि जैसे यह हिन्दुस्तान की इज्जत का सवाल पैदा हो गया है। मामला बिल्कुल सीधा-सीधा बिजनेस का था। दो पार्टनर्स जो कि इस वक्त बराबर की हैसियत रखते हैं, उन के दरमियान एक मिस-अन्डरस्टैंडिंग थी, उस को दूर किया गया और मैं यह बताना चाहता हूं कि “सरेंडर” का लफ्ज तो बहुत छोटा, छिछोरा लफ्ज है। मैं कहना चाहता हूं कि हम लोगों का जो आरिजनल एग्रीमेंट था, उस के मातहत मैनेजिंग डायरेक्टर को एक दफा हिन्दुस्तान की मिनिस्ट्री ऑफ इंडस्ट्रीज को मुकर्रर करना था और दूसरी दफा मारुती वालों को मुकर्रर करना था। अब हमने जो फैसला किया है उस के मातहत यह होगा कि जब भी वह मुकर्रर होगा, दोनों एक दुसरे के मशविरे और कांकरेंस से करेंगे। लिहाजा “गिव इन” कहीं नहीं किया गया है और गिव इन सिर्फ इस हद तक किया गया है, मैं बताना चाहता हूं (व्यवधान) आप

जारा तशरीफ रखिये, आप लोगो की स्पीच के दरमियान मैंने दखल नहीं किया। कई बातें मुझे सुनने को आ गयी जिन पर मैं रिएक्ट कर सकता था मगर किया नहीं। इसलिए मैं जो गुजारिश कर रहा हूं, उसे आप खामोशी के साथ सुनिए। हम ने सिर्फ कहा है कि दोनों की कांकरेंस से होगा। इस में “गिव इन” तो कहीं नहीं किया गया। आप इस चीज को बुनियादी तौर पर नजरअंदाज कर रहे हैं कि एक बिगडी हुई सूरत हम को बरसे में मिली थी। We inherited something. We had to straighten it out. और आप इस चीज को जेहन में नहीं ला रहे हैं कि मारुती उद्योग लिमिटेड का मसला अगर हम हल नहीं करते तो दो साल के बाद बिल्कुल डिस्ट्रक्ट हो जाती यह सारी की सारी उसकी सूरते-हाल बिगड़ने वाली थी। इसको हमने एक बिजनेस बेचर समझ के संभाला है। ... (व्यवधान) ... तशरीफ रखिए, आप। आप तशरीफ रखिये, सलीम साहब। आप बैठिए। मैं सब अर्ज करूंगा। मैं सिर्फ यह बताना चाह रहा हूं कि हमने जो इनहेरिट किया हुआ था, वह इनहेरिट किया हुआ एक निहयात बिगड़ा हुआ मसला था। उसमें हमें मारुति उद्योग लिमिटेड को संभालना था।

The Maruti Udyog Limited was going down the drains...(interruptions)...

उसको हमने संभाला है। यह हमारी राय लें। तुम्हारी राय अपनी हो सकती है क्योंकि तुम बजाय राय देने के हुकुम लगाया करते हो हर बात में। इसलिये मैं कहना चाहता हूं कि खाक कुछ नहीं जानते और ख्वामवाह हो। ... (व्यवधान) ...

सदर साहब, मैं सिर्फ यह कहना चाह रहा हूं कि यह बिगड़ा हुआ मसला, जो हमको विरसे में मिला था, मारुति उद्योग लिमिटेड का, अगर उसको नहीं संभाला जाता तो साल भर के अंदर, मैंने दो साल भी गलत कहा है, साल भर के अंदर आपको मारुति उद्योग लिमिटेड ड्रेन मैनेजर आता। मैं फिर यह कहना चाह रहा हूं कि हमने संभाला है एक बिजनेस इश्यू को। इसमें गवर्नमेंट आफ इंडिया वर्सेस सुजुकी नहीं है, इसमें सुजुकी वर्सेस इंडियन पार्टनरशीप इन द प्रोजेक्ट है।

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उसको संवारना, संभालना जरूरी था। बहुत अच्छी स्पिरिट में बातचीत हुई है, कोई एक दूसरे पर सवार होने

کی بات نہیں کر رہا ہے اور جس سپرٹ میں ہم نے بات کی ہے اس میں خود ہم نے اپنے ایک دماغ کو، اپنی ضروریات کو محفوظ رکھنے کی کوشش کی ہے۔ میں یقین رکھتا ہوں کہ یہ ہرے کے ہلے کا سوال ہوگا۔  
شکریا... (بصورت)

### †وزیر صحت "شری سکندر

بخت": صدر صاحب، میں چاہتا نہیں تھا کہ یہ بحث جس جگہ پہنچ گئی ہے، وہاں جاتی۔ انفارمیو نیٹوی جس وقت گزر گیا ہے، اس وقت میں کیا کیا ہوا، کس قسم کا نقصان اس ملک کو پہنچا ہے، میں اسکا ذکر کرنا نہیں چاہتا ہوں۔ "مداخلت"۔ چھوڑو بھائی، میں تو خالی یہ بتانا چاہتا ہوں کہ یہ گورنمنٹ آف انڈیا اور سوزوکی موٹر کا معاملہ نہیں تھا، انفارمیو نیٹوی اور فارمیو نیٹوی معاملہ صرف بزنس کا تھا اور اسکا منیجریل یا ایڈمنسٹریٹو حل نکل سکتا تھا۔ بد قسمتی سے کھینچ تان کر یہ معاملہ اتنی دور پہنچا دیا گیا اور کچھ اس قسم کا امپریشن پیدا کیا گیا کہ جیسے یہ ہندوستان کی عزت کا سوال پیدا ہو

گیا ہے۔ معاملہ سیدھا سیدھا بزنس کا تھا۔ دو پارٹیز جو کہ اس وقت برابر کی حیثیت رکھتے ہیں، ان کے درمیان ایک مس انڈر اسٹینڈنگ تھی۔ اس کو دور کیا گیا اور میں یہ بتانا چاہتا ہوں کہ "سریندر" کا لفظ تو بہت چھوٹا۔ چھچھورا لفظ ہے۔ میں کہنا چاہتا ہوں کہ ہم لوگوں کا جو اورینٹل ایگریمنٹ تھا، اس کے ماتحت مینیجنگ ڈائریکٹر کو ایک دفعہ ہندوستان کی منسٹری آف انڈسٹری کو مقرر کرنا تھا اور دوسری دفعہ ماروق والوں کو مقرر کرنا تھا۔ اب ہم نے جو فیصلہ کیا ہے اس کے ماتحت یہ ہوگا کہ جب بھی وہ مقرر ہوگا، دونوں ایک دوسرے کے مشورے اور کانفرنس سے کریں گے۔ لہذا "گیوان" کہیں نہیں کیا گیا ہے اور گیوان صرف اس حد تک کیا گیا ہے، میں بتانا چاہتا ہوں "مداخلت"۔ آپ ذرا تشریف رکھئے، آپ لوگوں کی اسپیشل کے درمیان میں نے دخل نہیں دیا۔ کئی باتیں مجھے سن نے کو آگئیں جن پر میں ری ایکٹ کر سکتا تھا، مگر کیا نہیں۔ اس لئے میں جو گزارش



کر رہا ہوں، اسے آپ خاموشی کے ساتھ سنئے ہم نے صرف یہ کہا ہے کہ دونوں کی کانگریس سے ہوگا۔ اس میں "گیوان" تو کہیں نہیں کیا گیا۔ آپ اس چیز کو بنیادی طور پر نظر انداز کر رہے ہیں کہ ایک بگڑی ہوئی صورتحال ہم کو روٹے میں ملی تھی۔

We inherited something. We had to starighten it out.

† اور آپ اس چیز کو ذہن میں نہیں لا رہے ہیں کہ ماروتی ادھیوگ لمیٹڈ کا مسئلہ اگر ہم حل نہیں کرتے تو دو سال کے بعد بالکل ڈسٹرپٹ ہو جاتی یہ ساری کی ساری۔ اسکی صورتحال بگڑنے والی تھی۔ اسکو ہم نے ایک بزنس وینچر سمجھ کر سنبھالا ہے۔ "مداخلت"۔۔۔ تشریف رکھئے، سلیم صاحب۔ آپ بیٹھئے میں سب عرض کرونگا۔ میں صرف یہ بتانا چاہ رہا ہوں کہ ہم نے جو اتھیریٹ کیا ہوا تھا، وہ انھرٹ کیا ہوا ایک نہایت ہی بگڑا ہوا مسئلہ تھا۔ اسمیں ہمیں ماروتی ادھیوگ لمیٹڈ کو سنبھالنا تھا۔

The Maruti Udyog Limited was going down the drains. ...(interruptions)...

† [ ] Transliteration in Arabic Script

اسکو ہم نے سنبھالا ہے۔ یہ ہماری رائے ہے۔ تمہاری رائے اپنی ہو سکتی ہے کیونکہ تم بجائے رائے دینے کے حکم لگا کر تے ہو ہر بات میں۔ اسلئے میں کہنا چاہتا ہوں کہ خاک کچھ نہیں جانتے اور خواہ مخواہ الجھے ہو۔ کچھ بھی اتا پتا نہیں بلکل الجھے ہو۔۔۔ "مداخلت"۔۔۔

صدر صاحب میں صرف یہ کہنا چاہ رہا ہوں کہ یہ بگڑا ہوا مسئلہ جو ہم کو ورثہ میں ملا تھا، ماروتی ادھیوگ لمیٹڈ کا۔ اگر اسکو نہیں سنبھالا جاتا تو سال بھر کے اندر، میں نے دو سال بھی غلط کہا ہے، سال بھر کے اندر آپکو ماروتی ادھیوگ لمیٹڈ ڈرین میں نظر آتا۔ میں پھر یہ کہنا چاہ رہا ہوں کہ ہم نے سنبھالا ہے ایک بزنس ایشو کو۔ اس میں گورنمنٹ آف انڈیا ورسز سوزوکی نہیں ہے، اس میں "سوزوکی ورسز انڈین پارٹنرشپ ان دی پروجیکٹ" ہے۔

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† اس کو سنوارنا، سنبھالنا ضروری تھا۔ بہت اچھی اسپرٹ میں بات چیت ہوئی ہے، کوئی ایک دو سرے پر سوار ہونے کی بات نہیں کر رہا ہے اور جس اسپرٹ سے

ہم نے بات کی ہے اس میں خود ہم نے  
ایک اقدامات کو، اپنی ضروریات کو محفوظ  
رکھنے کی کوشش کی ہے۔ میں یقین رکھتا ہوں کہ یہ  
ہر ایک کے بہلے کا سوال ہوگا۔ شکریا  
... "مداخلت" ...  
"ختم شد"

MR. CHAIRMAN: The House stands adjourned till 3 o' clock.

The House then adjourned for lunch at two minutes past two of the clock.

The House reassembled after lunch at four minutes past three of the clock,

Vice-Chairman (Miss Saroj Khaparde): in the Chair.

THE VICE-CHAIRMAN (MISS SAROJ KHAPARDE): Now, I would like to take up the Budget (General), 1998-99. The allotted time for the discussion is 12 hours. The first speaker is Dr. Manmohan Singh.

The Budget (General), 1998-99

DR. MANMOHANNAN SINGH (Assam): Thank you, Madam Chairperson. Madam, the year that has gone by i.e., 1997-98 was by no means a rosy or a cheerful year. The rate of growth of the economy had declined to about 5%. The industrial growth rate had declined sharply to less than 5%. Even agricultural growth rate had turned negative. The export growth declined to an all time low of less than 3% and prices which had remained stable also started looking up at the beginning of this year. Against this background, it was indeed a difficult task that the hon. Finance Minister faced and I do appreciate his difficulties. At the same time, I would like to submit through you, Madam, that the economy is in a much better shape than it was five or six years ago. We now take it as a normal thing that the economy should grow at least, at the rate of 5%. Our foreign exchange reserves are

close to seven months imports. While there are negative feature in the economy, there are also several positive features. Of course, we have to face the effects of what happened on the 11th and the 13th of May, 1988 and I do sincerely believe that these factors ought to be taken into account, if the economic management of our country is not to get ... into unanticipated problem areas in the months that lie ahead. I am saying all this to say that I do appreciate that the hon. Finance Minister had faced a difficult task. I begin by mentioning the objectives he highlighted beginning of his speech, I have no quarrel with the statement of those objectives as stated in paragraph seven of his speech. These objectives are: "Strengthen the foundations of the Indian economy to deal effectively with an inherently uncertain external environment; reverse the decline in agriculture and strengthen the rural economy; restore the momentum of industrial growth, especially of small scale enterprises, and revive the capital market; accelerate the development of infrastructure; by these and other means, rapidly expand productive job opportunities; give special impetus to social sector development; calibrate the pace and character of integration with the world economy, while strengthening India's international economic position through revival of exports and reduced reliance on borrowed funds; ensure macro-economic stability and control over inflation; raise the rate of domestic savings to achieve higher national investment and thus lay the basis for faster. medium-term growth, supplement this effort through foreign investment; and finally, free the productive energies of our people from unnecessary bureaucratic hurdles and undertake reforms to raise the productivity of our land, labour and capital."

I said, Madam, that I have no quarrel with the objectives, as have been mentioned by the hon. Finance Minister in the opening part of his Budget Speech. But, Madam, I submit to you that as I go

through the Budget Speech and Budget proposals, I am far from convinced that these objectives are going to be realised as a result of the Budget proposals that the hon. Finance Minister has presented to Parliament. I will take one by one these various objectives and show that there is a lot of unfinished business ahead of us and prudence demands that the Government take these uncertainties into account so that our economy can be steered along the desired objectives.

I take the first objective that is, strengthen the foundations of the Indian economy to deal effectively with an inherently uncertain external environment. I have already mentioned that although our balance of payments deficit so far remain comfortable, our exports for the second year in a row have fared rather poorly. And if we do not do anything to reverse this adverse trend in our exports, the credit worthiness of our country can come under severe strain. Yet, Madam, I say with all respect to the hon. Finance Minister I do not find any credible evidence in this Budget which convinces me that the rate of export growth in 1998-99 will be much higher than what was the case in 1997-98. It has been said on behalf of the Government that already they have presented the export-import policy and that, therefore, should take care of the export problem. I heard once the hon. Commerce Minister say that he was aiming at an objective of 20 per cent growth in exports. But, I do submit to you, Madam, that on the basis of procedural simplifications and minor tinkering that were done in the Exim Policy, it is far from certain that we will get anywhere near the 20 per cent growth target that the hon. Commerce Minister outlined. In some ways this Budget would make the task of the Commerce Minister more difficult than ever before. While I will come back, later to the effects of special additional import, duty of eight per cent, I would like to mention that it would add to the anti-export bias of India's tariff structure.

The tax on imports by definition is a discrimination against export, it raises the cost of production of a large number of commodities and I submit to you that thereby it will undermine the profitability of exports, low as it is even now. The second reason why I am worried about our exports, I will come back to it a little later. As I see it, this Budget, its resource mobilization scheme is highly inflationary. Inflation already is running at the rate of 6.5 per cent per annum. In my view if things are not brought under control soon enough, it is bound to accelerate. If the world economy is moving at the rate of zero to three per cent in terms of inflation and the Indian economy's inflation rate forges ahead and then there will be trouble for our export competitiveness, more so because the supply side effects of what has happened in South-East and South-East Asia last year will be felt by our exports much more severely this year than was the case last year. Madam, if exports do not grow, there will be a question mark about our creditworthiness. There will be a question mark about inflows of private investment, both direct and portfolio. The hon. Finance Minister has outlined a number of schemes to attract inflows from nonresident Indians and I wish him success so that these schemes do succeed in attracting funds from non-residents. However, my fear is that, Madam if the economy

does not do well and in particular, if the exchange rate comes under pressure, then our ability to attract funds from nonresidents would also come under a question mark. I have been looking at the figures of non-resident inflows in 1997-98. Such fragmentary evidence that I have with me, tells me that both on portfolio account as well as on direct investment account in 1997-98 there was a sharp decline in inflows from non-resident sources, largely because of the uncertainties of the exchange rate. If these uncertainties increase in the course of this year, there would be a question mark with regard to our ability to attract inflows, larger inflows, from non-residents.

With regard to external assistance, it is true that external assistance is small part of the total flows. The indications that are being given the postponement of lending by the World Bank; the postponement of the lending by the other multilateral agencies; I hope, these are temporary measures. Of course, we should face this unitedly. India is united on this. We do not feel that these measures are warranted. But, so long as these measures are in place, we have to take note of their likely, adverse, impact on our balance of payments position. If this is not done, we will once again be back in the foreign exchange constraint area.

The economic reforms which we had launched in 1991, if they did nothing else, at least, they did one thing. They freed India from the dominant foreign exchange constraint from which we suffered for nearly forty-five years of our existences as an independent nation. Because the foreign exchange was very scarce, a whole plethora of controls on domestic activities, on international activities, was a fact of life, which brought in its trail corruption, delays and uncertainties. Because our foreign exchange situation improved, we have been, in the last five-six years, able to reverse this cycle and, therefore, free our economy from a number of harmful bureaucratic controls.

My submission, therefore, is that if we do not take care of the balance of payments position—I submit, this Budget does not pay enough attention to the balance of payments managements—the Indian economy would be in serious difficulties and we might, therefore, go back to the old era of controls which none of us want to bring back.

This is my first worry.

The second objective that has been mentioned by the hon. Finance Minister in his speech is: 'To reverse the decline in agriculture and strengthen the rural economy.'

Nobody can disagree with him that everything possible should be done to strengthen the agricultural economy to ensure that our agricultural and rural economy generates a lot more productive jobs than has been the case in the past, more so, in the background of the two per cent decline in agricultural production last year.

The Finance Minister has increased the outlay, Plan outlay, on agriculture by 58 per cent. I welcome that. But Madam, one has to notice that the Central Plan outlay on agriculture is a very small part of the total Central Plan. If I remember correctly, the outlay on agriculture is not more than 3.7 per cent of the Central Plan outlay. Therefore, if we were to believe that because of the small escalation, Indian agrarian prospects are going to change dramatically, I think that would be a statement which is not warranted.

The problems of agriculture are manifold. They require an in-depth analysis. In some ways, I submit, Madam, this Budget has made the task of agricultural growth rather more difficult. Take, for example, the effect of the increase in the price of urea. I would not like to comment more on that. There has been an extensive discussion on this subject. This twenty-seven per cent increase in the urea price, whatever might have been the rationale, does put a burden. It has been reduced to half now. Even then, it does affect the income position of the small and marginal farmers. But what is more significant is the levy of excise duties on a whole range of agro-based, agro-processed activities. Our Government, as a conscious decision since 1991, had sought to reduce and ultimately eliminate the excise duties on agro-processing activities because we felt that if we wanted to increase employment in the agro-processing activities near the places where farmers lived and worked and at the same time if we wanted to ensure that the farmers got more of the consumer income, a dynamic agro-processing

activity was the best possible way to bring that about. But, I find that a large number of items in this Budget have been subjected to duties at the rate of 8 per cent, whereas there was zero duty. These are butter, cheese, ghee, milk powder other than infant feeding, spices, packaged tea, malt, preparations of meat and fish, roasted chicory and coffee substitutes, edible preparations like sweat-meats and *namkeens* branded and made in factories, dairy machines and parts and tractors with engine capacity not exceeding 800 cc. In respect of these, there is increase in excise duty from zero to 8 per cent. The profit margins in most of these activities tend to be rather thin. It is a very heavy burden. It will, therefore, cripple the growth of this dynamic sector of our economy. If you take this into account, I think, the overall impact of the Budget on agricultural and rural economy is going to be far from being favourable. I do hope that when the hon. Finance Minister replies to the debate in this House or in the other House, he would have this matter looked into once again.

In the same way, as far as the rural economy is concerned, Madam the programmes of employment, which were greatly revamped when the Congress Government was in office, I submit, have received rather a stepmotherly treatment. For example, in the area of rural development, in the 1997-98 Budget, the provision was Rs. 5,875 crores. In the revised estimates it fell to Rs. 5,314.91 crores. In the budget estimates the figure goes back to Rs. 5,881.69 crores which is the same figure that we had in the budget estimates for 1997-98. If this is the trend that you are going to set, obviously rural development, rural employment and special programmes for rural development are not receiving the attention they deserve. I submit to the hon. Finance Minister that this is a matter which also requires a fresh examination if we are serious about creating new job opportunities and creating new safety nets in rural areas of our economy as we must.

The third objective that the hon. Finance Minister mentioned was to restore the momentum of industrial growth, especially small-scale enterprises, and to revive the capital market. Here also, Madam, I submit to you that the outcome is not likely to be the outcome

that the hon. Finance Minister desires and we all desire. For example, the industrial growth rate has slumped to 4.6 per cent in 1997-98. A spokesman of the Finance Ministry stated at a Press conference that the Government was aiming at 10 per cent industrial growth rate in 1998-99. I would like to hear from the hon. Finance Minister what has convinced him that the industrial growth rate would go up from 4.6 per cent in 1997-98 to over 10 per cent in 1998-99. Madam, there are constraints both on the supply side and on the demand side, and I am convinced that this Budget does not tackle effectively those constraints. Therefore, it would be much too optimistic to assume such a strong spurt in the rate of industrial growth. I know that certain segments of our industry are characterised by idle capacity and, maybe, more demand could help those sectors. But what are the sources of demand? In any economy there are three sources of demand. First, the export demand that I have already mentioned. The export growth is pretty low. There is no indication that exports are going to perform the dynamic role that they ought to do in any programme of demand expansion. As far as the domestic consumption is concerned, my fears are that if inflation rate accelerates, consumers' confidence will also be weak and if consumers' confidence is weak, you cannot expect consumption to spurt to bring about the desired acceleration in the rate of industrial growth. Now I come to the investment activity. Now, the investment activity takes place both in the public sector as well as in the private sector. What is happening in the public sector? The total expenditure of the Government, particularly, the Plan expenditure has been increased very substantially from Rs. 81,033 crores to Rs. 1,05,187

crores. There is nearly a 30 per cent increase in the Plan outlay with regard to the Revised Estimates. If you compare the Budget Estimate of 1997-98 with the Budget Estimate of 1998-99, then, of course, the picture is much more than modest and, therefore, these claims appear as exaggerated. But I do not want to go into that. Now, how is this Plan going to be financed? There is a budget support increase of roughly Rs. 8,835 crores, 26 per cent increase in the budget support. There is 33 per cent increase in the internal resources and extra budgetary resources. My own fears are and I say so with all respect that we have seen in the last 2 years large increases in the Plan being presented to the Parliament to win acclaim. But when the Revised Estimates are presented, there is a shortfall. In 1996-97 Budget there was a shortfall of nearly Rs. 10,000 crores in the Central Plan. In the 1997-98 Budget again there was a shortfall of Rs. 10,000 crores in the Central Plan. Therefore, my fear is that I will come to it later on that the revenue and resource mobilisation expectations of this Budget are rather optimistic. Thus there will be a question mark about the Government's ability to step up plan outlays, as planned. The ability of the Government to spend this order of plan resources will be seriously in doubt unless it went in a big way for pump priming or deficit financing. If there is a lot more deficit financing, there will be a lot more inflation or there will be a lot more pressure on the interest rates. Even now I feel that the financing pattern of this Budget with the fiscal deficit being pegged at 5.6 per cent of GDP is unrealistic itself. I have doubts whether the fiscal deficit of 1997-98, when the actuals are presented would remain at 6.1 per cent of GDP. My fears are that actual figures of 1997-98, when they become available, would probably show a slower growth of tax revenues and a higher fiscal deficit. If that be the case, I think the revenue estimates of this Budget would appear all the more ambitious. But I do not wish to go further into that direction. The Finance Minister has one advantage that

the retirement age being postponed, it gave him manoeuvrability of Rs. 5000 to Rs. 6000 crores so that he could bring the fiscal deficit straightway from 6.1 per cent in the interim budget to 5.8 per cent or 5.9 per cent of the GDP. But I do submit that I am not convinced that the Government will be able to mobilise the order of resources they have budgeted for the plan either by way of budget support or by way of internal resources and extra budgetary resources.

If the experience of the last two years is a guide, they are being over-optimistic. That in the language of Dr. Johnson, in the light of the experience of past two years, would be considered a triumph of hope over experience, and I would like the hon. Finance Minister to tell us what is it that convinces him that the next year is going to be different from the previous two years. What is it that will make the revenue buoyancy more than what it was in the previous two years? What is it that would make the internal resources and the extra budgetary resources of the public sector more buoyant than they were, particularly when we hear, for example, that there is considerable uncertainty about the extra budgetary resources likely to be raised by the Power Grid Corporation and other public sector opened through loans from the World Bank. And also, if the capital market does not revive, if the capital market remains in the doldrums, the ability of the public sector enterprises to raise resources in the internal market would be subject to a question mark, and if the balance of payments comes under strain, then our ability to float bonds and debentures abroad or GDR would also be subject to an element of uncertainty. The programme of disinvestment would also get into difficulties. In the light of all these uncertainties, there is a fear that the expected stimulus that the hon. Finance Minister projects from the expansion of the plan for the industrial economy, will probably, not materialise. I have seen a hurried review of a very famous credit rating agency, CRISIL, of the impact of the Budget, and it has been printed in the "Business

India" of 1st, 1998, and the CRISIL review shows that all the 32 industries that they have studied, probably, the Budget would have a favourable impact on eight, on thirteen, it would be neutral, and as far as eleven are concerned, including automobiles, cigarettes, electrical goods, personal care products, air-conditioning, food products etc., the impact would be negative. So, in the light of this mixed picture, I would like to hear from the hon. Finance Minister as to how does he expect the industrial growth rate to go up from 4.6 per cent in 1997-98 to 10 percent in 1998-99?

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As regards the small-scale industries, I agree with the hon. Finance Minister that everything should be done to help the small-scale industries. He has raised the exemption for central excise limit and I welcome that. But I would also like to submit to him that while considering the effect of the Budget on the small-scale industries, he should take the picture in totality. This eight per cent special non-modifiable duty that he has levied will hurt most small scale industries who were the beneficiaries of lower import duties on raw materials in the last six years. Domestic manufacturers who get additional protection through this import duty have already begun raising their prices. So, this import duty will be an additional burden on the small-scale industries. This will more than neutralise the raise in the excise exemption limit from Rs. 30 lakhs to Rs. 50 lakhs. Furthermore, the Prime Minister mentioned a few days ago before the Budget was presented that he is going to reduce the investment limit for small-scale industries from Rs. three crores which was done by the previous Government, to Rs. one crore. If that is done, that would also hurt a large segment of small-scale industries. Therefore, Madam, I am not convinced that this Budget would restore the momentum of industrial growth, especially of small scale enterprises and revive the capital market to the extent that the hon. Finance Minister has mentioned in his Budget speech.

The hon. Finance Minister refers to accelerating the development of the infrastructure. All of us are one with him that infrastructure today is a big bottleneck in the growth of our country. I welcome the increased outlay for the infrastructure sector. I would submit to you, Madam, there also, I have great worries. Take, for example, the outlay for the power sector or the outlay for the coal sector. The Budget allocation, the Budget support, is a very minor part of the outlays for power as well as coal. The entire additional thrust is to come from extra budgetary resources, borrowings etc. And if there is a question-mark on these extra budgetary resources, then I think the picture of the power, the picture of the coal and some other infra-structural projects may not be very bright. The experience of the last two years shows that there are bottlenecks in the infrastructure sector, and that these sectors are unable to spend even the monies that have been allocated for them. There is nothing in this Budget which convinces me that in the nine months or ten months that lie ahead of us, these constraints, these limits on the absorptive capacity of the public sector would not operate. In fact, the situation on the power sector looks more bleak than ever before. This Government brought an Ordinance which promises some streamlining of the management systems, some streamlining of the tariff practices, but from newspaper reports, I see that now, there is hesitancy, and if we do not reform the power management system, if we do not reform the power tariff system, then we might as well say a goodbye to our ability to be able to raise more resources, either through the public sector or through borrowings, domestically or internationally, for the power and the coal sectors.

The hon. Finance Minister has thought of a novel scheme. He has mentioned that the State Electricity Boards owe to Central enterprises about Rs. 10,000 crores. How has the situation arisen? It is because the State Electricity Boards are not able to recover from the consumer

the coast of power, and, therefore, they are not able to pay to the Central utilities such as coal, railways and power corporation all the dues. The Finance Minister has said that he will securitise this debt. I submit to him that would be a disastrous thing. These are receivables which the State Electricity Boards are in no position to pay for and you are saying that you will give a Central Government guarantee for the recovery of Rs. 10,000 crores; This amounts to nothing more than an additional deficit financing of Rs. 10,000 crores. This is not the route to build the infrastructure. As the economists say: if there is a distortion, we must correct it at the source, rather than, tinker around or circle round the problem. My fear, therefore, is that the development of infrastructure will not take off in the manner in which the hon. Finance Minister desires in which we all desire because I fear that there will be problems in raising the extra budgetary resources that are built into the scheme of financing involving an increase of 33 per cent in internal and extra budgetary resources of public enterprises. I feel this increase, is much too optimistic taking into account the state of Indian capital market, taking into account the state of international capital market and also taking into account the fact that no effort is being made to streamline the management systems in these enterprises. We all know for example that a large amount of money can flow into the telecom sector. But there have been problems, problems between the Department of Telecom and the Telecom Regulatory Authority of India, in these areas. These are not the creation of the hon. Finance Minister. But these are problems which need to be tackled. There are other problems with regard to financing of these new canities which have gone into the telecom\* SeMor in the belief that the market would expand much faster than what has turned out to be the case. Therefore, they are asking for postponement of licence fees, postponement of payment of licence fees and longer licence period. Now so long as

these issues remain unresolved, even in areas where more investment can take place there would be a question mark. Therefore, I have a fear that even in the area of infrastructure not all the problems have been taken care of in this Budget.

Madam, as regards the next object of the hon. Finance Minister to create rapid-ly expanding productive job opportunities, we are all one with him. We need more growth. We also need job intensive growth. But how are jobs going to be created? The Finance Minister, of, course, has not made any mention of what sort of economic growth rate he is targeting at. We had last year a growth rate of 5% plus. We have to raise the growth rate to 7% or 8%. This was mentioned in the National Agenda of the ruling party. It was also mentioned by the Prime Minister when he inaugurated the conference of the Federation of Indian Industry.

I don't get the feeling that the Finance Minister feels confident enough to promise this House that he has a Budget which is going to put us on the growth path of 7% to 8%. My own feeling is that if due care is not taken about the management of the balance of payments, the uncertainty with regard to the exchange rate, the uncertainty with regard to the interest rate, the uncertainty arising out of the high fiscal deficit, the economy may get well stuck into 5% or  $5\frac{1}{2}\%$  or growth rate path. If it happens, where are these jobs going to come from? Now we can, of course, have some social safety nets. These social safety nets must be created and I compliment the Finance Minister that he has thought of expanding the area of social safety nets. But all these things can be financed only if the economy, as a whole, is growing and growing fast enough. If the economy, as a whole, is growing at a rate of 5% or  $5\frac{1}{2}\%$ , there will be a lot of difficulty in finding adequate resources for the employment-oriented programmes, for the social sector programmes and for other job-oriented programmes which the cpun-



try wants and which the Finance Minister has himself emphasised. I would like the hon. Finance Minister to assure us about his strategy to raise the economic growth rate from last year's 5% to, say, 7% or 8%. What is that strategy? That certainly does not emerge from the Budget Speech or from the Budget papers that I have with me.

Madam, the hon. Finance Minister has mentioned the need to give special impetus to the social sector development. I agree with him that we need a lot more investment in the social sector. I read the National Agenda. Despite all this talk of spending 60% of Plan funds on agriculture and rural development, the calculations which I have made show that the figure in this Budget comes to the same as that of last year, i.e., 11.3% I hope I am wrong. But the Calculations which I have made show that there is no major thrust in the direction where the Government said that it was committed to spend 60% of the Plan fund, that is, on agriculture and rural development.

We were told that this Government would stand by the national goal of spending six per cent of the national income on education. I compliment the hon. Finance Minister for increasing the outlay on education by 50 per cent. But it appears to me that this growth is not on account of increased outlays on primary education-linked programmes because the largest component of the increase of Rs. 2,300 crores is because of the provision of Rs. 950 crores for payment of salary to the university teachers on the basis of the Fifth Pay Commission. This is essential, But the primary education does not received the attention that was promised in the National Agenda and which our country needs if we have to get rid of this chronic backlog of illiteracy that still afflicts millions and millions of people in our country.

The next objective that the hon. Finance Minister has mentioned is calibrate pace and character of integration with the world economy while strengthening

India's international economic position through revival of exports and reduced reliance on borrowed funds. I have already dealt with it. I see nothing in this Budget which gives me confidence that India's exports are going to get a big boost as result of this Budget. I would be happy if the whole of our development can be financed by increasing the rate of domestic savings. The Finance Minister has talked in terms of saving rate of 30 per cent. But I don't get an indication from this Budget that we are moving in that direction. The fiscal deficit is still as high as 5.6 per cent. My own fear is when the revised Estimates' are presented, it would exceed six per cent. The revenue deficit which represents the Government consumption, still remains at last year's level of three per cent. Where are the savings going to come from? If inflation accelerates, and inflation is the worst and most regressive tax, in that case people's capacity or ability to save would suffer. Now if our domestic saving rate is not going up, if the Government's saving rate is not going up,—if the export growth rate remains stagnant and if the international flow of funds also slackens, then we are in for a trouble.

So far as the scheme of special import duty that he has devised is concerned, he should have a second look at it. It has generated in our country an all-round cost push effect on prices. This is the bonanza which even the members of the Bombay Club did not expect. Most of them would have been happy with much smaller increase, particularly after the depreciation of the rupee in recent months. They have given you a representation saying that they would have been satisfied with five per cent increase. But you have gone ahead with eight per cent increase. My own fears are that if we take into account the combined effect of your levies on customs, if we take into account the combined effect of your excise duty, you have imparted strong cost push effect which would strengthen the inflationary processes, and would weaken international

competitiveness of our exports, it is not going to strengthen India's balance of payment position. If inflation gets accentuated, there would be pressure on balance of payment. If exports don't grow, our ability to attract funds even from non-residents will come into question because there will be a question mark on the exchange rate. Therefore, I have worries on this score.

The Finance Minister then goes on to say that his objective is to ensure macro economic stability and control over inflation. Madam, this is one area where I feel that this Budget has very strong inflationary implication. I for one believe that we need in this country a growth rate of seven to eight per cent. But we should aim at an inflation rate of less than five per cent. It is because I do believe that inflation is the worst tax that we can inflict on the poor people of our country. Government employees, employees in public sector units, business men, they all have arrangements on their income to neutralise the impact of rise in prices. But a great majority of our people, who are self-employed people, particularly the agricultural workers do not have any indexation formulas available with them. Therefore, every effort should be made to reduce the rate of inflation. The inflation rate was about 5 per cent when this Government took over. It is already about 6.5 per cent. If the Government's spokesmen are to be believed that the Government is aiming at the nominal income growth of about 15 per cent and the growth rate of real national income of 7 per cent which, I doubt, they will be able to realise, then even on their own reckoning, they are aiming at an inflation rate of 8 per cent which, I think, in the present circumstances is intolerable. It will give rise to intolerable increase in inequalities of income and wealth and it will be counter-productive. Therefore, I do not believe that this Budget makes a contribution towards economic stability. I for one believe that its targets with regard to growth of national income in

real terms are highly inflated. I also believe that its estimate of inflation rate is a gross-estimate. And I also believe that its estimates of revenue projections—net tax revenue going up by 18 per cent; corporate tax increasing by 24 per cent; customs duty increasing by 17 per cent; gross excise revenue increasing by 23.5 per cent; net excise revenues increasing by 22 per cent and internal and extra-budgetary resources of the public enterprises increasing by as much as 33 per cent—are mere projections, and if I put it moderately, these are extremely doubtful propositions. And I say so on the basis of the experience of the last year. If the Finance Minister believes that this year's experience is going to be different from that of the last year, I would very much like him to enlighten us on this aspect. There are also other sources of worry. I think that I look at the fine print of the budget papers. I find that the Finance Minister has taken credit for Rs. 4,200 crores of transfer of profits from the Reserve Bank of India. Strictly speaking, these are not resources but these are as good as monetisation of the deficit. Last year, the Budget figure was Rs. 2,500 crores. This figure going up to Rs. 4,200 crores implies one or two things that the Government has a massive borrowing programme; and a large part of it would devolve on the Reserve Bank of India. If that happens, then I suspect that inflation will get out of hand. I would like the hon. Finance Minister to enlighten us as to what is it that is going to happen when he says that next year the Reserve Bank of India's profit to the Government of India will increase from Rs. 2,500 crores, after adjustment for exchange losses, to Rs. 4,200 crores.

Similarly, the concessions that have been made on petroleum products, the concessions that have been made on urea, they will also add to the deficit. Certainly we would like to be enlightened about the modest increase of 14 per cent in defence expenditure. Is this sustainable? The hon. Finance Minister,

has stated in his Budget speech, that he would, of course, provide more money if it is needed. As it is the Budget presents a slight fall in the ratio of Government's expenditure on defence and nobody takes it that the expenditure on defence would be stabilised at the level mentioned in the Budget Paper. Therefore, whether I look at the revenue side or at the expenditure side, I have many question-marks with regard to realism and relevance of figures. My fears are that if the fiscal deficit is understated, if this fiscal deficit is financed through borrowings from the market, then the interest rates would rise. If interest rates rise, private investment would become a casualty. The capital markets would remain depressed and the ability of the Government to raise resources by way of disinvestment will be a big question mark. If, however, the Government finances its expenditure by borrowing from the Reserve Bank of India, inflation would accelerate. Acceleration of inflation will mean pressure on the balance of payment and the exchange rate and the inflow of resources by way of non-resident funds, by way of portfolio and direct investment fund will slow down and this situation could get out of hand. And I conclude, madam, by saying that we live in an increasingly inter-dependent world. It is also a highly uncertain world. I sincerely hope that the hon. Finance Minister is right that despite what some powers are doing to isolate us, the so-called sanctions \*will have no effect on our economy. We are one with the Government in saying that we should stand united to oppose these sanctions and to face the consequences of these sanctions. But the Government does not help matters by telling the people that sanctions will have no effect, that this is business as usual. If you have any superior wisdom, please share it with the country. If you are just trying to postpone the evil day, then you would have created a climate of complacency which will cost this country very dearly. Therefore, I conclude by asking this Government to come clean on this issue of sanctions. If it is your

considered judgement that these sanctions are a trifling thing, we don't have to bother, well, the country would feel reassured. But if it is that you are not sharing with the people because you don't want to create unnecessary uncertainty, then my fear is, that in the modern world, Governments should not assume that they can keep all these things to themselves. There will be rumours, some right, some wrong. Already, if you read the financial literature, I do not think most people believe the Government's word that the direct and the indirect effects of these sanctions are as small as the Government believes, and that is why the capital market, the portfolio investor's behaviour, is not in line with the assumptions that the Government is selling to the people. I, therefore, earnestly request the hon. Finance Minister to enlighten us on these subjects so that the country as a whole is prepared to meet these massive challenges that lie ahead, to work together as a united nation, to strengthen the growth impulses, to strengthen the impulses of social justice, to strengthen the impulses of self-reliance. Thank you, Madam.

**प्रो० विजय कुमार मल्होत्रा (दिल्ली) :** उपसभाध्यक्ष महोदया, डा० मनमोहन सिंह जी ने अभी इस बजट पर अपने विचार प्रकट किए । डा० मनमोहन सिंह जी बहुत अच्छे आर्थिक विशेषज्ञ हैं । उन्होंने वित्त मंत्री जी के बजट के प्रायः सभी प्रावधानों का, सभी कदमों का स्वागत किया है, साथ ही उन्होंने आशंकाएं जरूर जाहिर की हैं कि इसके परिणाम जो सोचे गए हैं वह शायद वैसे न निकले । मैं लगभग उनकी सभी बातों के संबंध में कहना चाहूंगा कि जो उन्होंने आशंकाएं प्रकट की हैं उनके बारे में वित्त मंत्री जी को जरूर विचार करना चाहिए ।

महोदया, जैसा उन्होंने कहा कि कीमतें बढ़ सकती हैं, इनफ्लेशन बढ़ सकती है, मैं बताना चाहूंगा कि पिछले तीस वर्षों से मैं भी लगातार यही सुनता रहा हूं, हर बजट के बाद जो सरकारी प्रवक्ता होता है वह यही कहता है कि इसका कोई असर कीमतों पर नहीं पड़ेगा । डा० मनमोहन सिंह जी के भी पांचो वर्षों की बजट के समय पांचों बार इसी तरह की बात कही गई और उससे पहले जब 24 परसेंट तक की महंगाई बढ़ी तब भी यही

कहा गया, कि इसका कोई असर महंगाई पर नहीं पड़ेगा। महंगाई का कुछ असर पड़ सकता है बहुत सी चीजों पर। वित्त मंत्री जी को उसका विचार करना चाहिए।

4.00 P.M.

मैं उनकी इस बात से भी सहमत हूँ कि आज के जो हालात हैं, जो हमें आर्थिक स्थितियाँ प्राप्त हुई हैं, इस सरकार को तो अभी दो महीने ही हुए हैं, और जो कृषि में, उद्योग में, एक्सपोर्ट में, इनमें जो-जो विकास की दरें नीचे आई हैं, वे सचमुच में बहुत ही भयावह हैं और बहुत ही कष्टकारक हैं और उन सारी परिस्थितियों को देखते हुए बजट कोई आदर्श बजट हो ही नहीं सकता। मैं नहीं कहता कि यह कोई आदर्श बजट है और सारी समस्याओं को एक वर्ष में हल करने जा रहा है। यह तो बहुत खराब परिस्थितियों में एक बहुत अच्छा बजट हमारे सामने वित्त मंत्री जी ने रखा है।

महोदया, मैं कुछ बातों का पहले उल्लेख करना इसलिए चाहता हूँ कि इसमें पोजीटिव जितने चीजें हैं उनमें से कुछ का मनमोहन सिंह जी ने वैल्यू कम करते हुए भी उल्लेख नहीं किया है। उन्होंने कहा कि एग्रीकल्चर पर 58 प्रतिशत धनराशि का प्रावधान किया गया, यह बहुत अच्छी बात है, पर ग्रामीण निर्धनों के लिए 13 लाख घरों के निर्माण के लिए 1600 करोड़ रुपये रखे गए हैं। गरीब आदमी के लिए 1600 करोड़ रुपये रखे गए हैं। गरीब आदमी के लिए मकान की समस्या कितनी भीषण है और गांवों में भी किस तरह से झुग्गी-झोपडियाँ बढ़ती जा रही हैं, यह सबको मालूम है। पहली बार 1600 करोड़ रुपये से 13 लाख घरों का इस साल निर्माण करने का प्रावधान है। एक लाख गांवों में पीने का पानी पहुंचाने के लिए 1627 करोड़ रुपये रखे गए हैं। पांच सालों में पांच लाख घरों में पीने का पानी पहुंचाने के लिए कहा गया है। पांच लाख घर नहीं, पांच लाख हेक्टेयर, पांच लाख गांव समझ लीजिए, इतनी जगह पर पीने का पानी नहीं है। तो पहले वर्ष में ही एक लाख गांवों में पीने का पानी पहुंचाना, यह कोई साधारण बात नहीं है। 50 लाख वृद्धों को, बुजुर्गों को इस वर्ष वृद्धावस्था पेंशन दी जा रही है। 3 लाख विधवाओं को नेशनल फेमिली बेनिफिट स्कीम के अंतर्गत सहायता दी जा रही है। 10 लाख घरों में सुलभ शौचालय बनाए जाएंगे। बार-बार कहा जाता है कि जेंडर डिस्क्रिमिनेशन होता है, महिलाओं के साथ अन्याय होता है, महिलाएं स्कूलों में नहीं जाती, महिलाओं को शिक्षा प्राप्त नहीं होती, यह बार-बार कहा तो जाता था लेकिन किसी ने इस दिशा में सोचा नहीं था। यह पहली बार इस बजट में हुआ है 50 साल में महिलाओं की शिक्षा, लड़कियों

की शिक्षा बिल्कुल निःशुल्क कर दी जाए पोस्ट ग्रेजुएट तक, इसका प्रावधान पहली बार इस बजट में किया गया है और इसके लिए 100 करोड़ रुपये रखा गया है। लड़कियों की शिक्षा बिल्कुल फ्री कर दी जाए, इसके लिए पहली बार इस बजट में प्रावधान किया गया है। 2 लाख शिक्षित बेरोजगारों के 110 करोड़ रुपये रखे गए हैं। अनुसूचित जाति, जनजातियों के कल्याण के लिए भी बहुत सी योजनाएं रखी गई हैं। मेरे पास एक “की फीचर्स आफ दि बजट” भी है, जिसके अंदर हरेक क्षेत्र में पहली बार जो नई बातें की गई हैं, उनका उल्लेख किया गया है। महोदया, इन सारी बातों के बाद जो सबसे आखिरी बात मनमोहन सिंह जी ने कही, मैं उसका जिक्र करना चाहता हूँ कि इसमें देश की सुरक्षा पर 14 प्रतिशत खर्चा बढ़ाया गया है और उन्होंने कहा कि इसको हमसे स्टेन कर सकते हैं। कई वर्षों से इस बात पर चर्चा बड़े जोर से चल रही थी कि सुरक्षा पर खर्चा कम कर दिया जाए, सुरक्षा पर खर्चा बहुत ज्यादा है। यह भी कहा जाता है कि अणु बम बना दिया गया है, ये चीजें होंगी और सुरक्षा पर खर्च के बारे में हर बार कई तरह की आपत्ति होती है। मैं यह कहना चाहता हूँ कि National security does not come cheap. यह कोई साधारण बात नहीं है। एक हजार साल की हमारी गुलामी का सबसे बड़ा कारण यह रहा है कि हमने हमेशा देश की सुरक्षा पर ध्यान नहीं दिया, देश को लेटेस्ट टेक्नोलॉजी के वीपन्स नहीं दिए। ग्रीक से शुरू करके हुणों, शकों से लेकर और अंग्रेजों के आने तक लगातार, हर बार हमने अपनी सेनाओं को आधुनिकतम हथियार नहीं दिए और इसके कारण लगातार एक हजार साल तक यह देश गुलाम रहा और एक हजार साल की गुलामी के बाद भी हम इस बात को न सीखें और देश की सुरक्षा के बारे में सावधान न हों, तो मुझे लगता है कि यह उचित नहीं होगा। मैं तो यह कहना चाहता हूँ कि यह 14 परसेंट की इन्क्रीज जरूर की गई है लेकिन इसमें ज्यादा इन्क्रीज है रिवेन्यू साइड पर। रिवेन्यू साइड पर इन्क्रीज की गई है 36 हजार 99 करोड़ से 41 हजार 200 करोड़ रुपये और उसी में इन्क्रीज है सब मिलाकर और इसमें जो नॉन रिवेन्यू साइड है, जो केपिटल साइड है, जहां सचमुच में इन्क्रीज होनी चाहिए, उसमें तो 10 से 11 परसेंट की इन्क्रीज है। हमारी तीनों सेनाओं के मुख्य बार-बार यह कह रहे हैं कि उनको और अधिक धनराशि चाहिए। आप देखें चीन के साथ, उसका जो जीएमएफ है, चाइनका का 5.66 परसेंट है जीडीपी का डिफेंस पर, पाकिस्तान का 6.99 है और हमारा है 2.41 हम 2.4 से आगे नहीं बढ़ पाए हैं और चार-बार उसे वित्त मंत्री जी के यहां से भी कहा गया है, मैंने एक

5 जगह पढ़ा भी, उसमें लिखा गया था कि कि डिफेंस में हमने कोई ज्यादा इन्क्रीज नहीं की, रीअल वेल्थ तो बिल्कुल इन्क्रीज नहीं की। इसलिए पड़ोसियों को कोई डर नहीं होना चाहिए कि हम कोई बहुत बड़ी युद्ध की चीज इकट्ठी कर रहे हैं।

वित्त मंत्री जी, मेरी राय में इसके लिए प्रावधान हमें बढ़ाना चाहिए। अब हमने अणु-बम बना लिया है तो उसके साथ मिसाइल्स का मामला है, न्यूक्लियर वैपनाइजेशन का मामला है, और भी इस तरह की चीजें हमें इसके साथ जोड़नी पड़ेंगी। पाकिस्तान जिस तरह का वातावरण बना रहा है, कभी-कभी मुझे रेडियो पाकिस्तान सुनने का मौका मिलता है तो उससे पता लगता है कि ऐसा प्रचार वहां किया जा रहा है और हमारे देश के लोगों को भी भड़काने की कोशिश की जा रही है, टू नेशन थ्योरी पर भाषण दिए जा रहे हैं, देश भर में उन्माद का वातावरण पैदा करने की कोशिश की जा रही है। इधर हमारे वित्त मंत्री कह रहे हैं कि हम सिक्योरिटी पर खर्चा ज्यादा नहीं बढ़ा रहे हैं, बढ़ाना जरूरी है।

महोदया, नेशनल सिक्योरिटी चाहे वह ऐक्सटर्नल सिक्योरिटी हो या इंटरनल सिक्योरिटी हो, आज पाकिस्तान की आईओएसआई0 की ऐक्टिविटीज के कारण हमारे देश की इंटरनल सिक्योरिटी खतरे में पड़ी हुई है, इसलिए नेशनल सिक्योरिटी के लिए हमें प्रावधान बढ़ाना ही चाहिए। महोदया, मैंने देखा है कि पुलिस का जो खर्चा है, उसमें भी कोई खास बढ़ोतरी नहीं की गई है। उसे बढ़ाने की जरूरत है। सिक्योरिटी से बढ़कर कोई जरूरी चीज नहीं है। नेशनल सिक्योरिटी, इंटरनल सिक्योरिटी और उसके ऊपर हमारी इंटेलिजेंस एजेंसीज को ज्यादा ताकतवर बनाने की जरूरत है। हमारी पुलिस फोर्स को ज्यादा आधुनिकतम हथियार देने की जरूरत है। उसे आतंकवादी गतिविधियों से लड़ने के लिए मजबूत बनाने की जरूरत है और इसके लिए अधिक प्रावधान करना चाहिए। हमारे वित्त मंत्री जी ने कहा है कि हमारे देश की सिक्योरिटी के लिए जितनी भी धनराशि चाहिए, उसमें वह कोई कसर नहीं छोड़ेंगे और जो जरूरत होती उसे पूरा करेंगे, मैं समझता हूँ कि उस आश्वासन की पृष्ठभूमि में वे इन दोनों बातों का ध्यान रखेंगे।

महोदया, दूसरी बात मैं यह कहना चाहता हूँ कि हम दुनिया के पहले 7 देशों में आ गए हैं अणुबम बनाकर, परंतु मानवीय विकास की दृष्टि से हम 138वें नंबर पर हैं। पिछले 50 वर्षों में हम 138वें स्थान पर ही पहुंच पाए हैं। मैं समझता हूँ कि वित्त मंत्री जी ने अच्छे कदम उठाए हैं और मेरा विश्वास है कि उनका शासनकाल 5 वर्ष तक चलेगा तो हमारा प्रयास होना चाहिए कि इन 5

वर्षों में हम मानवीय विकास की दृष्टि से दुनिया के पहले 20 देशों में आ जाएं और उसके लिए सबसे पहले जरूरी है कि जनसंख्या पर नियंत्रण लगाया जाए। महोदया, जब इमरजेंसी लगी थी, यह दुर्भाग्य रहा इस देश का कि एमरजेंसी के वक्त के दौरान उठाए गए कुछ कदमों से जनसंख्या नियंत्रण की बात लोगों के दिमाग से निकल गई। फैमिली-प्लानिंग करनी चाहिए, जनसंख्या को कम करना चाहिए, इसके खिलाफ एक वातावरण बन गया जिसका परिणाम यह हुआ कि हमारे देश की जनसंख्या कम कर ली है, और देश भी कम कर रहे हैं, यूरोपीय देशों में इसकी ग्रोथ माईनस में जा रही है लेकिन हमारे यहां अभी तक जनसंख्या बहुत तेजी से बढ़ रही है।

महोदया, जनसंख्या कम करने के लिए, सभी वर्गों में कम करने के लिए अधिक धनराशि इसके प्रचार पर खर्च करनी चाहिए और उसके लिए इंसेटिव और डिस-इंसेटिव देने की व्यवस्था करने की ओर मंत्री जी को ध्यान देना चाहिए। अगर जनसंख्या इसी तरीके से बढ़ती जाएगी तो मानवीय विकास की दृष्टि से हम अधिक उन्नति नहीं कर सकते, इसमें कोई संदेह नहीं है।

महोदया, तीसरी बात मैं यह कहना चाहता हूँ कि कर्जे के जो मकड़जाल में हम फंस गए हैं, वह स्थिति अत्यंत भयंकर है। डा0 मनमोहन सिंह जी ने अपने शासनकाल में बहुत अच्छी बातें की थी, उन 5 वर्षों में कई उपलब्धियां रही थीं लेकिन यह जो विदेशी कर्जा है और विदेशी कर्जे के अलावा जो हमारे अंदर का कर्जा है, उसने हमारी इकॉनमी की हालत क्या कर दी है? महोदया, इस साल की कुल रेवेन्यू है 1,61,994 करोड़ रुपए जिसमें टैक्स रेवेन्यू और नान-टैक्स रेवेन्यू दोनों शामिल हैं और हमारी डेट सर्विसिंग है 1,75,000 करोड़ रुपए। यानी हमारी टोटल रेवेन्यू टैक्स और नान-टैक्स दोनों मिलाकर, उससे ज्यादा हमारी डेट सर्विसिंग है। महोदया, इस साल हमें, 1,00,253 करोड़ रुपए डेट पेमेंट करनी है और इंटरस्ट पेमेंट है 75,000 करोड़ रुपए। अब सवाल उठता है कि हम इसको पूरा कैसे करेंगे? हमारी रेवेन्यू है 1,61,994 करोड़ रुपए और डेट सर्विसिंग है 1,75,000 करोड़ रुपए। हम जो बाकी खर्च करेंगे, प्लान करेंगे, उसके लिए 91,000 करोड़ रुपए का नया कर्जा हम लेंगे। कर्जा लेकर के पुराना कर्जा अदा हो रहा है, बाकी चीजें हो रही हैं यह कब तक चलेगा? इसलिए जो सी0ए0जी की रिपोर्ट आई है — 1992-93 से 1997-98 तक की पांच साल की है। उसमें उन्होंने कहा है कि 1992-93 में 31075 करोड़ रुपए का हमारा

इनटरेस्ट पेमेंट है जो इस साल बढ़कर 75000 करोड़ हो गया। छः साल में 130 परसेंट की इंक्रीज हुई है। किसकी वजह से?

**श्री सी0एम0इब्राहीम (कर्णाटक) :** अब यह डॉलर का और भी बढ़ेगा।

**प्रो0 विजय कुमार मल्होत्रा :** मैं सहमत हूँ यह डॉलर से कहीं ज्यादा बढ़ेगा। छः साल में 130 परसेंट इंटररेस्ट पेमेंट। उन्होंने यह कहा है कि पिछले 5 साल में रेवेन्यू रिसीट्स 86 हजार 955 करोड़ तक इंक्रीज हुई है जबकि खर्चा एक लाख 112 करोड़ बढ़ा है। इस वक्त विदेशी ऋण करीबन चार लाख करोड़ है, इनटरनल अलग है। मैं वित्त मंत्री जी से कहना चाहता हूँ कि यह सैक्शन की बातें हो रही हैं, शायद यह कहीं वरदान भी हो सकता है। अगर वर्ल्ड बैंक लोन बंद कर दे तो क्या हम अपने रिसोर्स पैदा कर सकते हैं, क्या हम स्माल सेविंग्स से पैसा ले सकते हैं, क्या हम डिस-इंवेस्टमेंट से पैसा नहीं ले सकते हैं, क्या हम बाहर रहने वाले एन0आर0आईज0 से उनको देश-भक्ति की अपील करके उनसे पैसा नहीं ले सकते हैं? अगर यह विदेशी कर्जा इस साल हमें नहीं मिलता है, वर्ल्ड बैंक कहीं लगा देता है जिस सैक्शन की बड़ी भारी चर्चा हो रही है और खतरा दिखाया जा रहा है और देश भर को निराश किया जा रहा है, मैं समझता हूँ कि यह वरदान भी हो सकता है। हम अपनी इंपोर्ट कट कर सकते हैं अययासी की चीजों पर। क्या जरूरत है, बाहर से खुलेआम एयरकंडीशनर आ रहे हैं, बाकी चीजें आ रही हैं, दुनियां भर की शराब आ रही है। हमने सबको खुले में ओ0जी0एल में डाल रखा है और उनको मंगाया जा रहा है। कोई जरूरी है क्या? उनके बिना देश मर नहीं जाएगा। यह जो इंपोर्ट की आईटम है, अगर इनको न मंगाएं तो इससे फॉरेन एक्सचेंज बचेगा और उस फॉरेन एक्सचेंज का रुपया यहां इस्तेमाल हो सकता है।

मैं इससे एग्री नहीं करता हूँ जो विदेश मंत्री जी ने कहा है कि रा-मैटीरियल नहीं आएगा। तो फिर रा-मैटीरियल बाहर से आने में यहां की चीजें महंगी हो जाएंगी फिर एक्सपोर्ट नहीं होगा यह तो एक चक्कर है जिस चक्कर के अंदर हमने अपनी मार्केट को, बाजार को खुले तौर पर विदेशियों के लिए खोल रखा है और इस कारण से यही चीजें बार-बार दोहराई जाती हैं और इस कारण हम इस स्थिति में पहुंच गए। मैं उससे भी एग्री नहीं करता हूँ कि यह जो कहा जाता है स्माल स्केल के बारे में बहुत चीजें की जा रही हैं। यह जो विदेशी चीजों को हमने खोला है उसकी वजह से स्माल स्केल के अंदर हजारों-लाखों फैक्टरी बंद हो गई है। ज्यादा मजदूर बेकार

हुए हैं तो इस वजह से हुए हैं हमने कंज्यूमर आईटम्स में उनको आने दिया। कंज्यूमर आईटम के अंदर स्माल स्केल और काटेज इण्डस्ट्रीज तबाह हो रहे हैं और अगर यह बाहर से आना बंद हो जाएंगे तो कोई बहुत बड़ा असर नहीं पड़ेगा और यह सैक्शन हमारे लिए वरदान हो सकती है अगर देश-भक्ति का एक वातावरण सारे देश में तैयार किया जाए। उपसभाध्यक्ष महोदय, इसलिए मैं कहना चाहता हूँ कि यह जो स्थिति है उसको देखें।

अब सी0ए0जी0 की रिपोर्ट के बारे में कहता हूँ। उसमें कहा गया है—

The charged expenditure of the Government which is not subject to vote by Parliament rose to 74% of the total expenditure in 1996-97.

जिस साल मनमोहन सिंह जी के बाद दूसरी गवर्नमेंट आई। 74 परसेंट के ऊपर पार्लियामेंट का कंट्रोल ही नहीं था जो कर्जा वगैरह देने पड़ते हैं— बाकी सब चीजें,

. we only vote for 26%. On that also, the CAG says that the expenditure voted by the Parliament was only 26% and effectively it was 18% considering the 8% expenditure on salaries and allowances.

क्या कर सकते हैं? वित्त मंत्री जी इस पर विचार करें कि कोई भी लोन लेने से पहले पार्लियामेंट की सैक्शन लेना या कोई भी इस तरह की चीज करना— क्या कोई तरीका निकाल सकते हैं कि कोई एक लिमिट हो, उससे ज्यादा हम लोन नहीं लेंगे या उससे ज्यादा इस देश को विदेशी कर्जा में नहीं डुबोएंगे। कुछ चीजें हैं, इनके बारे में हमें विचार करना चाहिए। उपसभाध्यक्ष महोदय, मैं कहना चाहता हूँ कि यह जो इन्फ्रास्ट्रक्चर की बात है, मनमोहन सिंह जी ने उसका वेलकम किया है कि इन्फ्रास्ट्रक्चर पर जो कोशिश की जा रही है, वह बहुत अच्छी है। उसमें ऊर्जा है, बिजली है, सड़कें हैं, रेलपथ हैं, नहरें हैं, और बहुत सी चीजें हैं। तो उसके लिए पांच सौ करोड़ रुपया सड़कें बनाने के लिए रखा गया है। इसके बारे में मुझे कहना है कि यह इन्फ्रास्ट्रक्चर सरकारी खर्च से तो नहीं बन सकता है, इससे मैं कनविस्ड नहीं हूँ। यह तब तक नहीं बन सकता है जब तक आप प्राइवेट सेक्टर को बीच में नहीं लाएंगे। प्राइवेट सेक्टर आना चाहता है तो खाने-पीने की चीजों में, मैक-डोनाल्ड में, पीने की चीजों में, शरबतों में, साबुन में, इन चीजों पर आना चाहता है। जो कंज्यूमर आईटम्स हैं, रोजमर्रा की चीजें हैं, उसमें मल्टी नेशनल्स भी लाए जा रहे हैं और बिग बिजनेस हाउसेज भी लाए

जा रहे हैं, उनको इनफ्रास्ट्रक्चर में लाया जाए, वे उसमें आएँ तभी यह बन सकता है। पांच सौ करोड़ रुपए में देश की 9000 किलोमीटर की सड़कें जो अधूरी हैं, वे नहीं बनेगी। यह ठीक है कि इन्होंने कुछ शुरुआत की है। इनफ्रास्ट्रक्चर के लिए और जरूर इनको ऐसा करना चाहिए।

सोशल सेक्टर के बारे में एक बात का जिक्र करना चाहता हूँ कि हमने उच्च शिक्षा और प्राइमरी शिक्षा के लिए पैसा बढ़ाया है। कम्पलसरी प्राइमरी ऐजुकेशन जो हमारे कंस्टीट्यूशन में 14 साल तक है, यह पूरी करना हमारा कंस्टीट्यूशनल आब्लिगेशन है। उसको पूरा करने के लिए पिछले पचास सालों में क्या होता रहा? जो हायर ऐजुकेशन है, वह लगभग फ्री है — डाक्टर्स, इंजीनियर्स, आई0आई0टी0 आदि और वे कहाँ जा रहे हैं? सभी अमरीका जा रहे हैं, जापान जा रहे हैं, यूरोप के देशों में जा रहे हैं। मैं जहाँ कहीं जाता हूँ वहाँ देखता हूँ कि वे कम्प्यूटर साइंटिस्ट वगैरह सभी वहाँ जा रहे हैं, आस्ट्रेलिया जा रहे हैं यानि हमारा देश एक तरह से उन विकसित देशों को सबसिडाइज कर रहा है। हम दस, पंद्रह, बीस लाख रुपए में एक डाक्टर तैयार कर रहे हैं और वह अमरीका जा रहा है। एक अच्छा साइंटिस्ट तैयार कर रहे हैं और वह वहाँ जा रहा है। प्राइमरी ऐजुकेशन में करीब पचास करोड़ लोग हैं जो अनपढ़ हैं। चार करोड़ बच्चे स्कूलों में नहीं जाते हैं तो मेरा सुझाव है कि हायर ऐजुकेशन को सेल्फ फाइनेंसिंग करना चाहिए। इसको प्राइवेट सेक्टर पर छोड़ दें। कंस्टीट्यूशनल जिम्मेदारी जो प्राइमरी ऐजुकेशन की है, उसको पूरा करें और अनपढ़ों की पढ़ाई के लिए रुपया लगाएं। यह जो बड़ी मात्रा में रुपया जा रहा है मेडिकल कालेजें, आई0टी0आईज को, इसमें से धीरे-धीरे रुपए को विद्वान करके गरीब आदमी पर, पूअर सेक्शन पर लगाएं। क्यों हम यह शर्त नहीं लगा सकते हैं कि एक आदमी डाक्टर बन गया तो तीन साल तक रूरल एरिया में काम करेगा? हम यह शर्त क्यों नहीं लगा सकते हैं कि वह जो डाक्टर बना, उसको यहाँ पर काम करना पड़ेगा और यदि विदेश जाएगा तो सब रुपया वापस करेगा? Why should a person be produced here and why should he be allowed to go to America? और यहाँ हम इंजीनियर बना कर अमरीका भेज रहे हैं? कंप्यूटर साइंटिस्ट को अमरीका भेज रहे हैं? किसलिए? अमरीका को सबसिडाइज करना है या दूसरे यूरोपीय देशों को सबसिडाइज करना है? यदि उनको कम्पलसरी जाना है तो पूरा रुपया लौटा कर जाएँ और वह रुपया बाकी जगहों पर काम में आना चाहिए। हमारा यह गरीब देश है इसलिए ऐसा जरूर करना चाहिए।

एरीयर्स ऑफ इनकम टैक्स और कारपोरेट टैक्स में करीब चालीस हजार करोड़ रुपया है। मुझे खुशी है कि एक समाधान का तरीका निकाला है उन्होंने कि समाधान के मुताबिक कुछ इंटरेस्ट, कुछ पैनल्टी, कुछ इम्युनिटी फ्रॉम प्रासीक्यूशन वगैरह करके वह रुपया लिया जाए। कब से पड़ा हुआ है? वे चालीस हजार करोड़ रुपया नहीं दे रहे हैं। एक-एक करोड़, दो-दो करोड़, पांच-पांच करोड़, बीस-बीस करोड़ रुपया ... अगर उनकी पूरी लिस्ट छापी जाए तो देश में हू इज हू, सारे सामने आ जाएंगे। रुपया कैसे नहीं निकल रहा है? यह ठीक है कि आपने समाधान, एक तरीका निकाला है पर यह समाधान भी अगर फेल हो जाए? वित्त मंत्री जी, अगर वे फिर भी नहीं आएँ? तो कोई बड़े कदम आपको उठाने चाहिए। यह नहीं हो सकता कि देश का चालीस हजार करोड़ रुपया कुछ थोड़े से लोग अपने पास रखे हुए हैं, उन्होंने इनकम टैक्स, कारपोरेट टैक्स दबाया हुआ है और वह टैक्स नहीं निकल रहा है? आपने स्कीम शुरू की है। हर साल यह हो रहा था कि कोई ध्यान ही नहीं दे रहा था तो आपने समाधान की स्कीम अच्छी निकाली है परंतु इसके साथ ही जो नॉन-परफार्मिंग ऐसेट्स हैं, नेशनलाइज्ड शायद आपने जिक्र किया कि दस परसेंट है तो टोटल इंटरेस्ट ऑन इनकम भी नहीं है और उसको लोगों ने दबा रखा है। एक बार मनमोहन सिंह जी को 5000 करोड़ रुपया देना पड़ा था अपने जनरल फंड से निकाल कर बैंक को। हमने लिया था नेशनलाइज्ड बैंक्स का इसलिए कि उसका रुपया गरीब आदमियों में काम आएगा। गरीब आदमियों का 5000 करोड़ रुपया निकाल कर बैंकों को दिया क्योंकि बैंक स्कैम हो गया था वहाँ पर। हमें उनमें देना पड़ा और इसलिए देना पड़ता है कि कुछ बड़े-बड़े लोग नॉन परफोर्मिंग ऐसेट्स के नाम पर — सब बड़े-बड़े जितने हिन्दुस्तान के इंडस्ट्रीयलिस्ट्स हैं - मैं सब तो नहीं कहता, सब वर्ड यूज करना ठीक नहीं है लेकिन बहुत लोग हैं, आर्थिक अपराधी हैं। क्यों पैसा दबाकर रखा हुआ है? जब कहो कि क्यों नहीं निकालते, ब्लैक लिस्ट क्यों नहीं करते, नये लोन्स क्यों देते हो तो कहते हैं कि मजदूरों का क्या होगा, इंडस्ट्री बंद हो जाएगी, मजदूरों का ध्यान करना पड़ता है नहीं तो वह खत्म हो जाएगी। ब्लैकमेलिंग हो रही है। नॉन परफोर्मिंग ऐसेट्स पर — इनके नाम अपराधियों की तरह जैसे 10 नम्बर के लगाए जाते हैं सब थानों में ऐसे लगाए जाएँ कि यह नॉन परफोर्मिंग ऐसेट्स के नाम पर 20 करोड़, 50 करोड़, सौ करोड़ कर्जा ले लेते हैं और कहीं ओर लगा देते हैं। फिर वह उसे वापिस नहीं करते हैं, कोई तरीका भी नहीं है। आपने एक अच्छी स्कीम निकाली है कि

प्राइवेट ऐजेंसीज को, ऐसेटस रीकंस्ट्रक्शन कम्पनीज को, बैंको को कहा है कि उनको इंफ्लॉय करो। यह जो अमेरिका का बैंक है, बैंक ऑफ अमेरिका, उसका रुपया नहीं जाता। तीसरे दिन कार को पकड़ लाते हैं। कोई तरीका निकल सकता है। बैंक वाले खुद मिल जाते हैं। बैंक के मैनेजर मिल जाते हैं। पॉलिटिकल प्रेशर पड़ते हैं, पॉलिटिकल लोगों के दबाव पड़ते हैं और उसकी वजह से कितने स्कैम पिछले दिनों में आए हैं। मैं उनका नाम नहीं लेता। यह अच्छा नहीं होगा लेकिन जब इतने बड़े-बड़े लोग उसमें इनवॉल्व हैं, मिनिस्टर्स से लेकर नीचे तक तो बैंकों का कर्जा वापिस कैसे आएगा? तो इसके लिए जो ऐसेटस रीकंस्ट्रक्शन कम्पनीज का किया है, इसके अलावा भी इनको आर्थिक अपराधी मानकर इनके ऊपर कार्यवाही करनी चाहिए। यह बहुत जरूरी होगा। आपने यह कदम उठाए है, अच्छे हैं। एक, बीस करोड़ से ऊपर के जो प्रोजेक्ट्स हैं, जो टाइम पर कम्पलीट नहीं हुए, वह 410 है। वित्त मंत्री जी, मैं चाहूंगा कि आप इसको देखें कि 20 करोड़ से ऊपर की जो 410 स्कीम्स हैं जो टाइम पर खत्म ही नहीं हो रही हैं, बीसियों साल आगे बढ़ती जा रही हैं, उनमें दोगुना, तिगुना, चौगुना खर्चा होता जा रहा है। लोगों के उसमें वैस्टेड इंटरैस्ट हो जाते हैं। आखिर कोई अकाउंटबिलिटी होनी चाहिए कि जो स्कीम 10 करोड़ में शुरू हुई, आज दो सौ करोड़ रुपया हो गया है और उसके बीच में 50 आदमी ट्रांसफर होकर निकल गये हैं। यह बहुत सीरियस मामला है। इसमें भी हमारे देश का बहुत बड़ा रुपया निकल जाता है। उपसभाध्यक्ष महोदया, दो चीजों का मैं और जिक्र करना चाहता हूँ। एक तो स्पोर्ट्स के बारे में कहना चाहता हूँ कि स्पोर्ट्स पर पिछली बार चिदम्बरम साहब ने हाउस में ऐश्वर्य किया था कि 100 परसेंट ऐक्जम्पशन इनकम टैक्स में देंगे और मनमोहन सिंह जी ने भी उससे पहले एक बार वायदा किया था कि वह दिया जाएगा। वह इस बार नहीं आया है। उन्होंने एक अपना स्पोर्ट्स फंड कहा है कि उसको मैं दूंगा, परन्तु उसके कोई मायने नहीं है। गवर्नमेंट के पास इस साल कुल मिलाकर उसमें 110 करोड़ रुपया रखा गया है — ठीक है पर 80 परसेंट तो यह खर्च हो जाता है — मैनेजमेंट पर, तनखाहों पर। हम पांच करोड़ रुपया खर्च करते हैं एशियन खेलों की तैयारी पर। चाइना पांच सौ करोड़ रुपये खर्च करता है, जापान करता है — सात-आठ सौ करोड़ रुपये, कोरिया करता है — आठ-नौ सौ करोड़ रुपये और हम पांच करोड़ खर्च करते हैं। फिर जब खिलाड़ी हारकर आते हैं तो उनको गाली देते हैं। क्या हम खर्च करते हैं?

**श्री सी.एम. इब्राहीम :** हम डिफैक्शन पर सैकड़ों रुपये खर्च करते हैं, स्पोर्ट्स पर काम करते हैं।

**प्रो० विजय कुमार मल्होत्रा :** हिन्दुस्तान की एक भी ऐसी यूनीवर्सिटी नहीं है जिसमें इंटरनेशनल स्टैंडर्ड का पूरा इक्विपमेंट हो। एक स्टेट ऐसी नहीं है जिसके पास इंटरनेशनल स्टैंडर्ड के सभी गेम्स के पूरे इक्विपमेंट्स हों। हॉलैंड जैसे छोटे देश में चार सौ के करीब हॉकी ऐस्ट्रोर्ट्स हैं, हमारे सारे देश में आठ के करीब भी नहीं हैं। अगर उनसे मुकाबला करना है और खिलाड़ियों को देना है तो कुछ करिए। अगर आपके पास पैसा नहीं है तो 100 परसेंट टैक्स ऐक्जम्पशन दीजिए। 100 परसेंट टैक्स ऐक्जम्पशन से कई बार लोग समझते हैं कि सौ रुपया आपका निकल रहा है। आपका सौ नहीं निकल रहा है। जो आदमी सौ रुपये खर्च करेगा, आपको तो तीस रुपये उसने देने थे, 70 तो फिर भी उसके ही जाएंगे। इफ यू गिव 100 परसेंट ऐक्जम्पशन आपके तो 30 रुपये गये। पर इतने सालों से इसकी डिमांड हो रही है पर कोई नहीं कर रहा है। मेरी राय है कि इसको करना चाहिए। आयुर्वेद के बारे में कहना चाहता हूँ कि 1776 करोड़ रुपया रखा गया है। हमारा दुर्भाग्य है कि जब तक बाहर के मुल्कों से कोई चीज होकर नहीं आती, तब तक हम उसकी ओर तवज्जो नहीं देते। अभी आयुर्वेद अमेरिका एं जा रहा है, यूरोप में जा रहा है, बाकी जगह जा रहा है। वहां पर लोग इसको बढ़ा रहे हैं। धीरे-धीरे वहां से आ रहा है, अब उसका प्रेशर पड़ रहा है, वहां लोग जाकर कर रहे हैं। दस करोड़ यानी एक परसेंट से कम ऐलोपैथी के मुकाबले आयुर्वेद पर आप खर्च कर रहे हैं, यह तो बहुत कम है। वित्त मंत्री जी, एक आपने और मनमोहन सिंह जी ने कहा हैं कि 24 परसेंट से 30 परसेंट ले जाएं। पर बजट में दुर्भाग्य से वित्त मंत्री जी, स्मॉल सेविंग्स के लिए आपने कुछ इन्क्रीज नहीं किया है। लोगों की तनखाहें बढ़ी हैं, काफी बढ़ी हैं और वह अपना बहुत रुपया स्मॉल में डाल सकते हैं। 60,000 तक आप स्माल सेविंग में डालें और 60,000 के ऊपर आपको 20 परसेंट टैक्स में छूट मिलेगी, लेकिन उसमें आपने एक पैसा भी नहीं बढ़ाया है। अगर इस स्माल सेविंग की लिमिट को बढ़ा कर एक लाख रुपया कर दिया जाए और यह कहा जाए कि जो आदमी स्माल सेविंग स्कीम में एक लाख रुपया जमा करेगा उसको वही 20 परसेंट की टैक्स में छूट मिलेगी तो सभी गवर्नमेंट सरवेंट जिनकी पे काफी बढ़ी है वह इसमें ज्यादा रुपया जमा करना चाहेंगे और यह ज्यादा रुपया छह साल तक आपके पास रहेगा। यही पैसा स्माल सेविंग में बहुत बड़ा काम दे सकता है। हमारा इन्टरनल सेविंग 24 परसेंट है। यह सेविंग बहुत अच्छी चीज है और हमें यही मेनटेन



कर रही है, सस्टेन कर रही है इसलिए इसको और बढ़ाने की जरूरत है। स्माल सेविंग की जो लिमिट है यह कहां तक ज्यादा हो सकती है, इसको देखने की जरूरत है।

मैं एक सुझाव यह भी देना चाहता हूँ कि यह जो परमानेंट नम्बर है या जो नेशनल सिटीजन रजिस्टर बनाने की बात हो रही है इसको हर ट्रांजेक्शन के लिए कम्पलसरी बनाया जाना चाहिए, चाहे वह बैंक ट्रांजेक्शन हो, बैंक अकाउंट हो, चाहे प्रोपर्टी खरीदनी हो या देश का अन्य कोई ट्रांजेक्शन हो, इन सबके ऊपर यह नम्बर देना जरूरी होना चाहिए। ये जो बेनामी ट्रांजेक्शन हो रहे हैं इसमें ब्लैक मनी के 90 परसेंट मामले बेनामी है। बेनामी बैंक अकाउंट, बेनामी ट्रांसफर्स, पावर ऑफ अटार्नी पर चीजें खरीदी जा रही हैं, सब 90 परसेंट बेनामी होती है। अगर इसको खत्म कर दिया जाए तो ब्लैक मनी खत्म हो सकती है। बैंक अकाउंट खोलने के लिए भी इन्कम टैक्स का परमानेंट नम्बर कम्पलसरी कर दिया जाना चाहिए। इन्कम टैक्स का परमानेंट नम्बर रखने वाले डेढ़ करोड़ से ज्यादा लोग नहीं हैं, बाकी लोगों के लिए, चाहे वह केश ट्रांजेक्शन हो, चाहे वह अपना क्रेडिट कार्ड हो एक परमानेंट नम्बर होना चाहिए। जो लोग इसका विरोध करते हैं कि नेशनल सिटीजन रजिस्टर मल्टी परपज नहीं होना चाहिए तो इसके लिए मैं चाहता हूँ कि वह इस बात को सोचें। इससे विदेशियों का आना रुकेगा और घुसपैठ भी रुकेगी तथा इससे देश के अन्दर की ब्लैक मनी पूरी खत्म हो सकती है। हर चीज पर इस नम्बर को चलाया जाए यह भी बहुत जरूरी है।

उपसभाध्यक्ष महोदय, मेरा एक सुझाव और है कि एस0सी0 और एस0टी0 को प्राइवेट सेक्टर में जगह दी जाए, यह बात बार-बार कही जा रही है। लेकिन मैं समझता हूँ कि वह लीगली पासेबुल नहीं है। परन्तु हम इसके लिए कुछ ऐसा कर सकते हैं कि कोई कम्पनी शैड्यूल्ड कार्टस और शैड्यूल्ड ट्राइब्स का एम्पलाई अपने यहां रखे तो उनको इन्कम टैक्स या कुछ और टैक्सों में रिबेट दी जाए इसमें उनको ज्यादा लोगों को रखने में आसानी होगी।

उपसभाध्यक्ष महोदय, एक अंतिम बात मैं यह कहना चाहता हूँ कि नेशनल इंटीग्रेशन प्रोग्राम की आज देश को बहुत जरूरत है। देश को टुकड़े-टुकड़े करने की साजिश विदेशी भी कर रहे हैं और देश में भी कुछ शक्तियां ऐसी हैं जो देश की एकता और अखंडता के विरोध में जा रही हैं, जैसे आतंकवाद है, भाषाई झगड़े हैं और अन्य प्रकार के झगड़े हैं। इसके लिए नेशनल इंटीग्रेशन बहुत जरूरी है, मैं पिछले 50 साल से बजटा देख रहा हूँ और इस बार के बजटा में भी इसके लिए कुल तीन

करोड़ रुपये रखे गये हैं जो कि देश के पूरे बजट का यह .00 कुछ परसेंट भी नहीं आता है जब कि सारे देश का इतना बड़ा बजट है। मैंने कहा कि एक लाख 61 हजार रुपये का एक्सपेंडीचर ही बजट में दिखाया गया है उसमें तीन करोड़ रुपये नेशनल इंटीग्रेशन के लिए रखना आज की हालत में बहुत कम है। अणु विस्फोट के बाद देश में पैदा हुए देश भक्ति के वातावरण में देश की एकता और अखण्डता की बात कर के सारे देश का अगर विश्वास जागृत करें तो मुझे पूरा विश्वास है कि वित्त मंत्री महोदय आपके नये कदमों से और नये बजट से देश को हम आने वाले पांच वर्षों में ही विकसित देशों की तुलना में ले आयेंगे। इसके साथ ही मैं आपके बजट का स्वागत करता हूँ। धन्यवाद।

**उपसभाध्यक्ष (कुमारी सरोज खापर्डे) :** बहुत — बहुत धन्यवाद प्रोफेसर साहब। श्री अशोक मित्र जी।

SHRI ASHOK MITRA (West Bengal):  
Madam Vice-Chairman, if the hon. Finance Minister does not mind, I have a second description of his Budget and his Budget Speech. 'The final taming of a once redical'. I will explain it straightaway.

About ten years ago in 1988 or 1989, he was in the strange company of a disreputable persons like me, who shared the platform, and would thunder against the insidious attempts to lead this country's economy towards doom, which some conspirators were, apparently, engaged upon. But now wisdom has gradually dawned upon him, and this Budget is the final imprimature of the fact that he has joined the hunters instead of being part of the hunted. This is the absurd part of it.

Any main political party arrives at the Conclusion that it will lose if it does not proclaim to the world that reforms are an excellent thing. Four Government have come in the course of the last half-a-dozen years. Each Prime Minister, on assumption of office, has considered it his bounden duty to swear by reforms.

In other countries, there is what is known as the structural adjustment programme, of the International Monetary Fund with a whole set of conditionalities

which the Fund and the Bank have imposed. We try to feel different, and, therefore, we say that we have our own economic reforms and that these have not been imposed upon us. What have been the consequences?

My friend, Dr. Manmohan Singh, referred to how things have deteriorated in the course of the past one year or two years. I wish he were a little bit generous and had extended the time frame to seven years. You compare seven years since 1991 when the so-called reforms had been introduced with seven years preceding 1991 or the entire 1990s. You will find that on each of the fundamentals the economy has deteriorated. The rate of growth is less now than what it was in 1990s. The rate of capital formation has levelled off compared to that in the 1980s. The rate of growth of industries is down. The rate of growth of agriculture is down. The rate of growth of employment is down. The rate of growth of exports is down. Yet, each of us, each Finance Minister, each Prime Minister, thinks that it is a jnatter of great shame if he does not continue to swear by the reforms.

Now, this is also a problem, a big dilemma, the Finance Minister has faced. The party swear by *Swadeshi*, and yet, given the external circumstances, it cannot break out of the trap of the reforms. What has really happened is that *swadeshi* has been given an indecent burial through the Budget, and the reforms are on the top.

I would like to make explicit references to some of the issues that I have in my mind in this connection. But then, again, I have to share Dr. Manmohan Singh's sentiment when he says that it is no great deed to say that they have increased the allocation for agriculture or for infrastructure or for social services. Dr. Manmohan Singh himself did it. Mr. Chidambaram did it last year. In a way, what you have done is a continuum of what they did, which is the way it should be because your Budget basically is a carbon

copy of what they have been doing, just widening the sphere of liberalism, so-called globalisation, so that foreigners can be treated with greater and greater deference at the expense of local entrepreneurs, including small, local industrialists and small agriculturists.

Now, if anyone looks into the broad details of your Budget, what would frighten anyone is that apart from what you have conceded to the Bombay Club, the rest could have been a script written from Washington D.C. What has been done for the Bombay Club is 8 per cent tax on imports, etc., etc. I do not know whether Mr. Hegde or his representative keeps on shuffling between New Delhi and Geneva and when they come back with their dealings, how will the World Trade Organisation view some of these things that you have done? In the matter of taxation you have retreated domestically. There is no guarantee that if there are external pressures you would also not similarly retreat. Now, this is something on which I cannot predict and even you cannot predict, but circumstances might so develop. But the basic issue is that you dare not raise the direct taxes because the foreigners who advise the Government, who are sitting in the North Block would not like the direct tax rates or direct tax collection to go up. Last year, we lost about Rs. 20,000 crores through the gimmicks that were introduced and yet we persisted. You know that was the so-called hypothesis and if you lower the tax rate, then, there will be proportional increase in taxes.

My friend, Dr. Manmohan Singh was the Deputy Chairman of the Planning Commission. During the Sixth Plan period he had introduced a beautiful Chapter on "Financial Economic Success". It contained a neat table which showed whatever little experiments were made in lowering taxes had led to misadventure and had not led to any proportional increase in taxes. That table is still there in a printed form. Well, when he crossed over to the Ministry of Finance,

he was subjected to pressures from different directions. He tried to build a hypothesis which has become completely contrary. What happened was and we have seen it over the years, as you have given more and more concessions in direct taxes, your tax yield, each of the taxes kept on going down and down and down. This is where the problem has arisen that year by year the Plan allocation has not been honoured because you did not have the money. Then, at a certain point of time, all of you were worried. There was a restraint that the Fund could not allow your fiscal deficit to go up, even 5 per cent or 5½ per cent of the GDP. Therefore, you do not know which direction to take. That dilemma still persists with you. But the root issue is that you are not allowed because you are not your own master to involve certain macro-economics. The *swadeshi*, the *swadeshi* in our circumstances would mean reduction of dependence on external capital, whether short-term capital or long-term capital. Let us try to develop on our own. Once we say that we are not going to worry about external capital, we are in a position to exercise our own demand according to our own will power.

But in order to do so, we have to have a different kind of model of economic growth. This model of economic growth would assume that the rate of consumption must be brought down in your system in order to increase the rate of saving. Your own savings must go up in order that you might develop a mode of investment on the basis of your own resources. Then you have to bring down your consumption. This is really the fundamental point in any kind of self-reliant economic model that cuts down on your consumption. There is no question of asking the poor to cut down their consumption. At least, 35 per cent to 40 per cent of them already live below the level of poverty, and a very large number we can add, who were just on the verge of subsistence. So, the only saving that can be done additionally is by the comfortably—placed upper middle class. But would

you dare? The Congress Party did not dare. In fact, they nurtured the upper middle class, and I guess that the BJP will follow the same pattern. Now, there is nothing in the Budget to prevent the import of consumption goods or inputs for consumption goods, and there is nothing in the Budget to impose rigorous direct taxes on the upper crust of society. So, your Budget does not provide any answers for independent economic growth. You can write an essay of three, four paragraphs that this is what our *swadeshi* means. But if the wherewithal is not there, then obviously, you cannot move either to the right or to the left. You are a prisoner of the fact that the overall division between consumption and investment in your system is given by outside dictates. They tell you that you have to permit the upper middle class to come up. There is a reason why you have not been following this exercise. This is because of the fact that you know that agriculture cannot grow without investment. You know that industry cannot grow for lack of investment and there are several bottlenecks, both on the demand side and the supply side. But you know that you still have the service sector where you can pump money and show a very high rate of growth because what goes into the service sector, comes out as income, and you can have a 12 per cent, 13 per cent or 14 per cent rate of growth in the service sector so that overall, you will have the rate of growth of two per cent in agriculture, three per cent in industry, and you can still end up with a rate of growth of seven per cent or eight per cent. There is a political compulsion. The foreigners will not allow you to cut down on consumption and there is a class compulsion that these foreigners are your class friends. Thirdly, the other compulsion from the point of view of national income growth is that if you cut down on consumption, the service sector growth will shrink which will further reduce the rate of growth.

So, I am really projecting this to the converter and the convert, and I am sure

that the Finance Minister has done this arithmetic as to what he can do. He has to suffer the consequences of Manmohan Singh and P. Chidambaram because he has accepted the policy of 10-called economic reforms. Therefore, you cannot raise investment on the basis of your own resources. Therefore, willy-nilly you turn to foreigners and your Budget is replete with examples how to placate the foreigners. I feel sorry for my friends within the BJP who had been vociferous in their resistance to the concept of handing over insurance, denationalisation of insurance and all that, and I would humbly request the Finance Minister to take another look at the so-called Report of the Malhotra Committee which is supposed to be the guiding spirit for this denationalisation of insurance. The Report has 150 pages of which only  $V/z$  pages deal with the issue of denationalisation, and they are patently embarrassed. It was a command performance that they were under the instruction that must be something about denationalisation or privatisation of the insurance sector, and the rest of the Report is full of praise of the performance of the Life Insurance Corporation and the General Insurance Corporation. If you want to increase efficiency, you could have a sort of increased competition between the different LIC units, between the GIC units. Let them compete with each other and perform better. You don't have to call in the private sector. It was about 45 years ago when the insurance sector was nationalised. It was because of the piracy that was going on, that was indulged in by many private sharks, and in order to protect the consumers from their clutches, you see, the LIC and the GIC were nationalised one after another, and they have done a magnificent work. They have integrated the economy. Now you go to the remotest part of the country, you will find that the LIC-lamp is there. They are spread far and wide serving the people. I am not sure that once the private entities take over and in the wake foreign individuals come in, under the law if you sell the stock and share market, then obviously

anybody can pick the shares, including the foreigners, up to a certain extent, and if there is a possibility that these foreigners will come, will they bring any foreign income, any capital? They will come to suck out capital from within the country, not to put in any capital. So, why are you so much anxious to invite them? I know the reason that you think, that you want to create a climate, a climate of benevolence, a climate of condescension and a climate of benediction, so that the foreigners might feel that India is strange enough and we can go on saying, after all, you have allowed the foreign banks to freely remit their profits out of the country, and at the same time, you are imposing all kinds of restrictions on the activities of the domestic banks. You are not comparing bank with bank. It is not a question of saying that the foreign banks are more efficient than the domestic banks. They are not on the same level-field. You have not imposed the condition, that is, of the priority sector regime, on the foreign banks. They operate in the urban areas and do their picking whereas the nationalised banks have to look after the problems of the countryside. Take, for example, the plight of the rural banks. There are 15,000 rural bank branches. Nobody is apparently around to look after their interests. They all penetrated deep into the interior of the country. With a little of extra assistance they can come up and serve the interests of the poor. So, they need funds. But the theory is that anything in the Government sector is inefficient and, therefore, has to be ignored altogether.

Now the only issue which I should mention is regarding disinvestment. You cannot assure additional investment. You cannot increase the rate of capital formation and yet whatever capital you have, on the basis of your economy in the public sector, you want to sell. I have made some rough calculations and I have found that at the rate at which the foreign direct investment is coming in, it will take 35 to 40 years to duplicate the total quantum of domestic investment in

the public sector. We are taking on the foreigners and yet we will not make use of the capital already there. I can say that not all of them are internationally competitive. We have a huge internal market. You can produce and sell to the people inside the country. In any case, we are not selling much overseas. Our rate of export growth has dwindled down to 2%. So, why don't we use the public sector undertakings more effectively rather than trying to sell them off like an indigent family selling its pots and pans?

Now this brings me to the most vulnerable sections of your Budget. It says very little either about how to manage the price circle or about how to manage the balance of payments. Since you have not been allowed to impose direct taxes the pressure is on indirect taxes and even here because of the political influences mounted on the Finance Ministry you have to offer concessions and, perhaps, you will have to offer more in the course of the next few days. It means that if you want to honour your commitments about the outlays, you will have to print more money, you have to have additional livies on indirect taxes. Both will be inflationary. As I have already pointed out, the rate of inflation has already touched 6.5% and it will be no surprise, if you are brow-beaten into surrendering, if it jumps into a double-digit inflation rate. The ordinary people will continue to suffer. That is important because whenever elections come, they vote. Perhaps, last week's byelections provide some indicator that when prices rise, the economic discontent deepens. Mere explosion of bombs doesn't help much. I am sorry I have to make it a little aside. But this is inflation. The second thing is this. What do you do about balance of payments? Your export growth is coming down and down throughout. Your imports have once again shot up and they will continue to shoot up. Your balance of payment has shrunk over the last couple of years. It is no longer equivalent to, your total foreign exchange is also no longer equiva-

lent to nine months imports. That has come down to seven months. There is absolutely little reason to assume that thus will not come down further if the present trends continue. What will you do in such a situation? For example, if foreigners are not willing to come in, the long-term investment stays depressed and with all this the latest missile from Standard and Poors there is very little room for assuming that private foreign investment will shoot up. This is the kind of irresponsible statements that were made by both the spokesmen of the Ministry of Finance and the Reserve Bank of India. This was, I think, plain speaking that never mind, if the Government-to-Government investment slows down, private foreign investment will bulge. This will never happen. If the Government of the United States of America does not want its governmental funds to flow into India or Pakistan, then private capital also will not flow. Now this is something which we should appreciate. I think this is one area where whatever Dr. Manmohan Singh said, one should listen to that carefully. But then again one should not be too greatly sympathetic towards Dr. Manmohan Singh. A part of the problems that we are facing is a legacy of what he and his successor, Shri Chidambaram, had set up. So my sympathies are, in fact, with you. But I wish that your party had not made a paper slogan of Swadesi and sold itself all the way to this concept of 'all right, sign on the dotted line, whatever the foreigners say'. That is exactly what you have done.

I will mention just two more points before I conclude. One is you have scrupulously stayed away from mentioning the crisis in South-East Asia. What has happened to Indonesia? How has its currency rate dropped down by 80 per cent to 90 per cent? The external rate of rupiah had dropped down. How had its total foreign exchange holdings disappeared or just vanished into thin air? As if these are things which are happening on a different planet, we are

5.00 P.M.

What instruments do you have against such a possibility hitting us? This is something about which we are not at all worried. Now this is why I would ask we should not forget about the convertibility of the rupee on capital account. We should look at the past. Even on the current account, we should try to restrain ourselves. You say, you move the capital from out of the country and the portfolio capital is coming in. Just impose some time restrictions before you allow them to go out. Impose a tax at a more severe rate. All these suggestions will be completely contrary to the suggestions that you get from Washington. But it is an offer. This is an issue on which you may not make a public declaration to us. But I would appeal to you — for the sake of the country, kindly do think a little bit about this kind of danger that may overtake our economy.

Then I make my final point. I am making this because of an aside in your Budget speech. I think that you wanted to indulge in a little bit of heroics. You have stated, "our defence outlay has been indicated at this level but if necessity arises, we will not compromise on it." I will mention one thing. It is an old adage that a country's best defence lies in a sound defence policy. And there is an Indian economist who, about 25 years ago, did little exercises over it. He said, "There are two neighbouring countries and they will launch on a competition in arms building. Even if they exhaust their entire national income, yet their relative security *vis-à-vis* the other country will not improve." It is as simple as that. I spend five per cent and my neighbour spends six per cent of his national income. Next year I spend eight per cent of my national income and he spends 10 per cent and then I spend 15 per cent of the national income and he spends 20 per cent. This will go on until both the countries exhaust their entire national income. Now that is not the path. To build the nation's security, we should talk to our so-called adversaries. We should unleash some of our non-official Ministers. There are too many of them on the rampage. We should unleash I them.

**LATHI-CHARGE                      ON**  
**DEMONSTRATORS                  INSIDE**  
**PARLIAMENT STREET          POLICE**  
**STATION**

SHRI VAYALAR RAVI (Kerala): Madam, I just gave a notice to you. There was a demonstration in the morning and thousands of Congress workers were courting arrest. Five thousand people were arrested. Later on, there was a lathi-charge inside the police station. I am raising this matter because the people were lathi-charged and that too inside the police station. Many people have been taken to hospitals.