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Sharp criticism from industry

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tive growth in originating passenger traffic and decline in the growth rate of revenue earning freight traffic compared to last year. He said the proposed increases will not help in reversing the declining trend:

The President, PHD Chamber of Commerce and Industry (PHDCCI), Mr Devinder Singh, also expressed concern over the withdrawal of concessions in freight on items like foodgrains, sugar and pulses besides an imposition of a 10 per cent extra hike.

Mr Singh felt that the across-the-board hike of 10 per cent in both passenger and goods freight charges, coupled with the enormous surcharges imposed on passengers would add to the difficulties of the travelling public and would have an overall inflationary effect on the economy.

The Vice President, Federation of Indian Export Organisations (FIEO), Mr K. N. Memani, said that the budget had evoked a mixed response. While expressing his satisfaction at the continuation of exemptions on certain essential commodities, he said there was no logic for the removal of these on grains, pulses, diesel and oilcakes. However, he said he was happy at the stress placed on improving the quality of service and increase in the number of trains.

The All India Manufacturers' Organisation (AIMO) President, Mr V G Kalantri, has said that the proposed hikes would have an adverse impact on trade and industry and a cascading effect on prices all round. The same feelings were expressed by the Hindustan Chamber of Commerce President, Mr Rajiv Rai, and the Southern India Chamber of Commerce and Industry (SICCI) President, Mr Subramaniam.

The Director of the Indian Institute of Finance, Mr J D Aggarwal, welcomed the budget calling it "pro-poor and soft". He has stated that the Railway Minister had left about 80 per cent of the people untouched. However, he said, the Railway Minister had failed to make adequate provision for infrastructure and the proposed modernisation exercise.

Noted economist Prof S Modak said that the Minister had totally neglected the upgradation of operational efficiency and instead had resorted to an all-round increase in freight and passenger fares, putting a heavy burden on the common man already reeling under the inflationary pressures.

The Bharatiya Janata Party (BJP) strongly criticised the budget saying that it imposed a 'back breaking' burden of Rs 1,848 crore on the users.

The BJP leader, Mr L K Advani, said that never before had the budget shown such a steep rise in

fares and freight. He added that his party would oppose the budget when taken up by Parliament for consideration.

Coming out strongly against the budget, the former Railway Minister and Janata Dal leader Mr George Fernandes, described it as "very harsh and highly discriminatory".

Mr Fernandes said that the budget proposals will contribute to increasing the imbalances and would adversely affect the development of backward states like Bihar and Orissa.

The CPI (M) described the budget as 'most harsh' saying that it will hit the common Railways passengers who are already overburdened. The West Bengal Chief Minister, Mr Jyoti Basu, severely criticised the budget calling it "yet another assault on the common man."

Calling the budget rather imbalanced the Congress (I) leader Ms Mamta Banerjee, said it would adversely affect the common man and urged the Minister to reconsider some of his proposals. Other leaders who have come out against the Railway budget include the Bihar Chief Minister Mr Laloo Prasad Yadav, National Front leader Mr P Upendra, leader of the Telegu Desam Mr M Padmanabham and the Jharkhand Mukti Morcha leader Mr Suraj Mandal.