

श्री रुद्रनारायण पाणि: \*

श्रीमती विप्लव ठाकुर: \*

श्री उपसभापति: आप खामोश रहिए। आप क्यों बात कर रही हैं। श्रीमती वृंदा कारत। ...**(व्यवधान)**...

श्री राशि अल्वी: \*

श्री उपसभापति: आप ऐसे नहीं उठा सकते हैं। Please. ...**(Interruptions)**... You have to give proper notice. ...**(Interruptions)**... Nothing will go on record. अल्वी साहब, आप ऐसे नहीं उठा सकते हैं। ...**(Interruptions)**... Please sit down. ...**(Interruptions)**...

श्री राशिद अल्वी: \*

MR. DEPUTY CHAIRMAN: Please sit down. ...**(Interruptions)**...

श्री रुद्रनारायण पाणि: \*

MR. DEPUTY CHAIRMAN: Please sit down. ...**(Interruptions)**... आप ऐसे नहीं उठा सकते हैं। ...**(व्यवधान)**... Nothing will go on record. ...**(Interruptions)**... पाणि जी, आप बैठ जाइए। पाणि जी, आप बैठ जाइए। श्रीमती वृंदा कारत। ...**(व्यवधान)**... आप बोलिए। पाणि जी, आप बैठ जाइए। आप खामोश बैठ जाइए। ...**(व्यवधान)**...

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#### THE BUDGET (GENERAL), 2011-12

SHRIMATI BRINDA KARAT (West Bengal): Sir, I thank you for giving me this opportunity to express my party's view on the Budget.

Sir, I stand here in opposition ...**(Interruptions)**...

MR. DEPUTY CHAIRMAN: The debate has started. Be serious.

SHRIMATI BRINDA KARAT: Sir, please cut that minute. I should get one more minute.

MR. DEPUTY CHAIRMAN: All right.

SHRIMATI BRINDA KARAT: Sir, I stand in opposition to the general direction and the intent of this Budget which is to further the neoliberal agenda which is being set out in the Economic Survey. And it is regretful, Sir, that this Government seems to have learnt no lessons at all from the global

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\*Not recorded.

events of the last three years. This Budget and the Economic Survey present a blueprint to further deregulate the Indian economy, to further open up even crucial sectors of the Indian economy such as agriculture, retail, the entire retail industry, for the FDI and the corporates.

Sir, my friend Abhishek Manu Singhvi was saying that the Opposition stands for the sake of opposition. We stand because we believe that the direction of this Budget is going to intensify the world of inequalities.

Sir, I was going through the Budget Speech of the hon. Finance Minister and it was striking that in this entire speech the word 'poverty' does not exist. This is not a question of semantics. But I think it reflects the understanding of the Government that poverty is no longer a problem for the people of this country; it is not poverty, which is a problem, but it is probably the poor which are a problem, because according to this Government's arguments they are eating more or consuming more.

This Budget favours the rich, the corporates and their interests as opposed to the interests of the mass of people in this country at a time when this country and its people are facing the unlegislated tax of price rise which's picked the people's pockets for the last three years which is the gravest problem facing India, particularly rate of food inflation, increasing unemployment, increasing under employment and a low purchasing power. There are forty-three crore people in the unorganized sector with fluctuating incomes. In such a situation, Sir, this Budget comes and I know, and we all know, that this Budget cannot be a magic wand to solve all the problems of this country. But, certainly, it has a redistributive role. It's the role of giving a direction. And in that, Sir, I believe this Budget has failed this country and it marks the distance from the hut of Kalavati, the homes and lives of dalits, the adivasis, the minorities, and the women of this country. I, therefore, oppose this Budget.

Sir, some of the untenable arguments for price rise given in the Economic Survey have been referred to by my colleague, Mr. Ravi Shankar Prasad, yesterday. Sir, if you explain and understand the reason for price rise wrongly, then, naturally the prescription you are going to give is going to be equally wrong. And one of the arguments given is, learn to live with inflation because we are committed to growth and where there is growth, there is bound to be inflation; so, learn to live with

it. The recent IMF report which was quoted yesterday shows conclusively that growth and inflation need not necessarily move in the same direction. But, Sir, I just want to quote from the Economic Survey itself. On page 2, it says that in 2007-08, whereas growth rate was 9.3 per cent, the average inflation was 6.2 per cent; in 2008-09, the growth rate was 6.8 per cent but the inflation rate had gone up to 9.1 per cent; in 2009-10, the growth rate was lower than that of 2007-08 at 8 per cent but the inflation rate was higher at 12.4 per cent. Therefore, this argument will not hold.

The second argument that they give is, it is the social sector policies of this Government which have given more purchasing power to the people; so, consumption has increased and, therefore, there is a demand and supply crisis. This is the argument which has been given and MGNREGA has also been quoted. Sir, what kind of an argument is this? At a time when India is home to the largest malnourished population of the world, you are talking about MGNREGA. We are committed to MGNREGA. We have fought for MGNREGA. Unfortunately, it is not working as well as it should. But, today, even if you go according to the Government calculations and take an average of 48 work days a year and put the wage at Rs.100 per day, which it is not, what do you get? Everyday, that family's income has gone up by a princely sum of Rs.13.50 for a family of five. Now, can that ever be reflected in a huge increase in consumption? Therefore, Sir, I would request the hon. Finance Minister to kindly look at the inequalities which exist in the consumption patterns of India and not to blame the poor for eating more. This is Bush's language. We can understand Bush saying it, but we do not expect the Indian Government's spokespersons to speak in that language.

Sir, the actual reason for price rise - we have said it again and again in this House and I have to reiterate it because we see no sign of it in this Budget - is the obdurate refusal of the Government to reverse its present policies to put a ban on future trading in essential commodities, to universalise the Public Distribution System, to stop the manipulation of imports and exports which deliberately cause shortages as we have seen in wheat, sugar, onions, etc. which help the big traders. Change those policies. ...*(Interruptions)*... Change those policies and then, you will find a difference in the rate of inflation in this country.

Sir, the actual strategy behind this Budget is the discredited trickle down theory - follow a policy to make the rich richer and ultimately it is going to help the poor. And, that actually is what this whole slogan of inclusive growth means. There are five points of this which I would like to just briefly

speaking about in this Budget. I think, these are the five important aspects of this Budget which form part of this trickle down theory. The first is, the strategy adopted in this Budget in the name of fiscal consolidation. In actual fact, Sir, in the name of fiscal consolidation and controlling the deficit, what we have seen in, this Budget is a compression in expenditures. We say that it is a growth rate. Yes, you boast of growth rate but your total expenditure in spite of your healthy growth rates is just three per cent. That is the increase in the total expenditure. As a proportion of GDP, it has actually fallen.

When we talk about 'inclusive growth', we talk about expenditures, particularly for the social sectors, and also because we believe that public expenditures are essential for the generation of employment, it is absolutely essential in the context of unemployment in this country. There, we see, Sir, as far as expenditures are concerned, as a proportion of GDP, it has, actually, fallen from 15.4 per cent, in 2010-11, to 14 per cent, in 2011-12. So, that is the first point.

The second point, Sir, is that this Budget shifts the burden on resource mobilization from the profits of the corporates to the frayed pockets of the working people and the poor in this country. Thirdly, it cuts subsidies in the most important commodities which are essential for the common people, in fuel, in food, in fertilizers. Fourthly, instead of public expenditures, it depends on investments by the corporates, both Indian and foreign. How do you want to attract them? By offering them a slew of concessions in infrastructure, in agriculture, in different sectors. You are trying to invite them by giving them these concessions, Sir. In fact, even now, as far as the volatility of the stock exchange is concerned, we have not learnt any lessons. Now, even mutual funds are going to be opened up for the FII's to come, to allow the hot money to come and to further make the Indian economy vulnerable to speculative practices. Fifthly, Sir, it seeks to raise resources through disinvestment to the extent of Rs.40,000 crores in profit-making public sector units, including the financial and oil sector. Sir, in this context, the Finance Minister self-praises that the Indian economy has withstood the economic tsunami of the last three years. I would, once again, like to reiterate and remind him that it was the robust stability provided by the public sector institutions. It was the financial institutions of public sector, the public sector banks and the insurance companies which gave that stability to the Indian economy at that time, which prevented the kind of big impact that we saw in other countries.

## 12.00 Noon

Now, what are you doing? Sir, there was a speech being made by Shri Pranab Mukherjee himself, in this very House, in 2003, Sir, when he moved a resolution against the disinvestment of public sector companies. He is not here; otherwise, I would have reminded him of that speech, Sir. But the fact of the matter is that at that time, he had said, "Owing to your own inefficiency, your own incompetence, your own inability to control the deficit, don't sell the profit-making public sector companies. It will not be in the national interest." Sir, I repeat those words and I would request Shri Pranab Mukherjee and the Government to look at the same issues that you had raised when you were in the Opposition.

Sir, to go into some of the details, what I say is, even if you accept the false assumption that the main issue of bringing stability to the Indian economy is to, somehow, control the deficit, which way are you going to do it? How are you going to deal with it? This is where, Sir, the class bias of this Government, as far as resource mobilization is concerned, becomes absolutely apparent. Just look at the way they are mobilizing resources! As we all know, Sir, - I am not an economist, Sir, but even then I know that - when talk about Direct Taxes, it is Direct Taxes on those who can afford to pay on their incomes; when it is Indirect Taxes, those Indirect Taxes, actually, are being taken out of the pockets of the people by making goods more expensive. If you look at this whole aspect in this Budget, Sir, not even one-third is Direct Taxes; the rest is all Indirect Taxes. And when we look at taxes on the corporates, in India, - and, again, I want to stress this point - what we are seeing is, on the one hand, crony capitalism and, on the other hand, a huge concentration of wealth. This concentration of wealth is being created by all these policies which the Government is following.

That is what is, once again, reflected in this issue of resource mobilisation. Sir, an amount of Rs.5,00,000 crores in tax has been foregone. You please look at the Budget Receipts and you will find those figures. Out of that, an amount Rs.88,263 crores is just for corporates! Corporate tax is reduced from 7.5 per cent to five per cent. The tax-GDP ratio at 10.4 per cent is lower than the 12 per cent tax-GDP ratio three years ago. So, even according to your own records, you are following a policy which is not inclusive growth. When your tax-GDP ratio is coming down at a time when the concentration of wealth is increasing. On the other hand, there are indirect taxes. You say that you don't have money for everything else.

What are these indirect taxes? I don't mind if air-conditioned liquor bars are taxed. I don't mind if high-end hotel stays are taxed. I don't mind if big cars and SUVs are taxed. I would support that tax. I would support that kind of tax on articles of luxury. I believe the rich, if they want, can pay for it. We want to curb ostentatious expenditure. I don't mind that. But your indirect tax regime is taxing school children's exercise books, stationery, etc. I am from West Bengal. We use *muri* a lot. I don't know whether you ever had puffed rice. You come to Kolkata, Sir. We can give you some very good *jhare muri*.

MR. DEPUTY CHAIRMAN: Yes, I will come there to eat it.

SHRIMATI BRINDA KARAT: It is said that even *jhare muri* has also become much more expensive. So, these are the issues, one is excise duty on such items and the second is the health tax. It is known as "aswasthata kar". That is, in this country, under UPA Government-2, don't dare to fall sick because even your sickness is going to lead to a tax. Suppose I am a diabetic patient or I am a heart patient or I have got some other problems which need diagnostic test. My friend spoke about air-conditioned 25-bed hospital. That is true. That is also very wrong. We have to withdraw it. Even in these cases for a diagnostic test I have to pay five per cent service charges at a time when we are absolutely incapable of strengthening our health infrastructure to ensure free health services to our people. This is very cruel. I hope that because of the outrage which this particular "aswasthata kar" has invoked throughout the country the Finance Minister is going to withdraw this.

There are two or three aspects on this issue of excise duty which I would briefly mention. रोटी महंगी तो है ही, now under this excise regime अब कपड़ा भी महंगा होने वाला है। That is because of the 10 per cent duty on ready-made branded garments. This word "branded" is really misleading. When I first heard about it, I also thought that if the rich was going to pay for the branded garments why we should bother about it. But when I went into it a little detail I found that our West Bengal Chief Minister had also written a letter to the Finance Minister soon after the Budget. What does it mean? It means that any small garment manufacturing company which has a label to its garment has to pay excise duty. I know a company, Mushtaq Garment. It makes jeans in a particular area in West Bengal. Now that Mushtaq Garment which is making jeans for the local market will have to pay 10 per cent excise duty. This is an industry which is providing employment to lakhs of people. Therefore,

please differentiate between the small and the big and branded. What are they going to do? You are signing FT Agreements with SAARC countries. What is going to happen? You are going to have all the big people going across the border, manufacturing there and bringing them back. You have no import duty on these ready made garments. So, the Indian small manufacturers are going to suffer and those who can afford it are going to bring it cheaper through the SAARC, the 'no duty' route, and it is going to affect the Indian market and shirts, lungis, vests, hosiery items and other things are going to cost more. Therefore, I would ask him to reconsider it.

The other aspect which I want to raise is the removal of import duty on raw silk.

Why I say this is because there is a misconception that this is really going to help the handloom sector. It is not so. Handlooms are not using imported raw silk. So, there should be no misconception on that. Yes; it will help certain powerloom sector units in Tamil Nadu and, to a certain extent, in Uttar Pradesh. I have no objection to that. But what about the sericulture farmers? What is going to happen to them? You know, Sir, in Karnataka, there is a big sericulture industry. I know, in West Bengal, there are so many small farmers involved in sericulture. It is going to wipe them out. Chinese silk is going to come in a big way, and our own farmers are going to suffer. Therefore, I would request the Government to relook at the entire Indirect Tax aspect and change it.

Then, I come to a tax which should have been removed, and which was not removed. And, that is the petroleum tax regime. This is very important when we talk about price rise. Petroleum taxes are something about which, I believe, this Government is not giving a full picture. They are very selectively giving statistics to the country and, therefore, misleading the country. We are being told, "What can we do? We are suffering a huge loss." That is simply not true. Now, kindly look at the composition of the retail sales price, even when the global prices are very high, - I am talking about the highest global prices - the basic cost of one litre of petrol is Rs.51.64. Apart from that, total taxes, including customs, excise, VAT, etc., etc. come to Rs. 45.78 per cent. And, if you add the dealer's commission, freight, etc., it comes to around 48 per cent. So, you are paying 48 per cent in taxes on one litre of petrol. And, on one litre of diesel, you are, approximately, paying 32 per cent. What does that mean? It is not a question of percentage. It is giving huge revenues to the

Government because there is also an element of ad valorem tax on this, particularly, on customs duties. So, in a single year, the Government of India has benefited, in revenue mobilization, through this tax regime, to the extent of Rs. 1,11,000 crores.

This year, according to the latest figures of the Petroleum Ministry, the revenue is going to go up by another Rs.25,000 crores, that is, to approximately Rs.1,35,000 crores. Therefore, I say that it is completely wrong and anti-people on the part of this Government to continue with this tax regime. Therefore, I would request that the present tax regime on petroleum products be changed and that the people are given relief because, as we all know, high prices of petroleum, the deregulatory policies of the Government on petroleum, have further fuelled inflation. Therefore, the most important step to be taken is to remove these taxes on petroleum.

I would now like to come to a crucial aspect in this Budget, and that is the cuts in subsidies. We know the chorus of voices from corporate India saying, "Cut subsidies; cut subsidies." And, they have started cutting subsidies on fertilizers and on kerosene; and, on food, it is in the next instalment. What about fertilizers? At a time when farmers of country are in such acute distress, - you have two lakhs cases of suicides of farmers staring you on the face - you are removing subsidies and substituting with the so-called Direct Cash Transfer. I want to come to that later. What exactly is going to happen when this cut in subsidy starts working? The first point is that the prices of fertilizers are going to shoot up. Today, it is Rs.5,300 per tonne of urea. The global prices, today, is Rs.16,000 to Rs.18,000 per tonne of urea. We are importing, approximately, 70 lakh tonnes every year. We are not using our entire installed capacity which is about 200 lakh tonnes. Seven fertilizer units in India are closed down. The Government is doing nothing to open them, and we are importing fertilizers. What does this mean? Once you remove the subsidy on fertilizers, the fertilizer prices are going to shoot up. And, I know, Sir, that this Government wants to introduce private participation in fertilizer sector. They are waiting for that.

They are waiting for a deregulatory regime in fertilizers. Just as you did with petrol, you are going to do it with fertilizers and you are going to make farmers suffer. Therefore, I entirely oppose this cut in fertilizers subsidy. It is an anti-farmer step and I demand that the Government should withdraw this cut in subsidy. On kerosene, I have already told you that you should stop making so much money on the misery of people in high prices.



Sir, what is this direct cash transfer? We had Abhishekji yesterday saying it is very good, Brazil has done it, Mexico has done it and all Latin American countries are going in for it; what is wrong with it? Sir, please understand what has happened in Brazil. In Brazil, direct cash transfer is a supplementary income to the worker whom they consider is living in poverty. It is a supplement. Here, it is not substituting Government's provisioning of essential services. This is what we want to do. We are not against direct cash transfer principle. You give it to a widow; you give it to a disabled person. We are giving it in Bengal to workers of closed factories. That is direct cash transfer. We have nothing against that aspect of it. What are we opposing? We are opposing direct cash transfer as a substitute and replacement for the Government's responsibility to provide provisioning of essential services. That is why, Sir, we know what this direct cash transfer is. By the way, what is your BPL line? You are going to give it to BPL families when your BPL estimates are so very dubious! You are going to exclude people from cheap foodgrains.

The third point here, Sir, is suppose, you are giving it for a commodity. You give money to a family. In India, in a patriarchal society, do you have any guarantee that the money you give to a family would go precisely for that? If you are going to give money tomorrow for food, do you have any guarantee that it would go only for food and not for something else?

The fourth point is extremely important. Please do not think that these direct cash transfers are at all going to help the people of this country. Therefore, Sir, we oppose direct cash transfer and we ask this Government not to follow this agenda of retreating from the basic responsibilities of a welfare State.

Sir, I now come to this whole point of cuts in expenditure. I have a whole list here of cuts in expenditure. I know that this Government is claiming that we have increased it by 17 per cent for social services, etc. If you factor in inflation, then it is not so much. In any case, even according to the Economic Survey, at page 294, if you look at the percentage of GDP, the expenditure on social services has been coming down over the years as growth has been going up. Last year, in 2009-10, the expenditure was 7.27 per cent; in 2010-11, the expenditure came down as part of the GDP - and I am talking only about social services - to 6.63 per cent. This year, it is around the same as it was last year.

So, that is what I said when I mentioned compression and what is the compression on? Sir, there is a calculation made—and I would like to share it with the House — by the Centre for Governance and Budget Accountability; they have calculated what the whole expenditure is on the rural economy. They include agriculture and allied activities, rural development, Special Area Programmes, irrigation and flood control and village and small industries. If you take it all together, Sir, it has declined from 2.8 per cent of the GDP in 2010-11 to 2.3 per cent of the GDP in 2011-12.

THE VICE-CHAIRMAN [PROF. P.J. KURIEN] *in the Chair*

Sir, is this inclusive growth? On rural development, you have cut it by Rs.2,000 crores. Is this inclusive development? On MGNREGA, you are saying that you are going to link wages with the price index. Yet, the allocation for MGNREGA has been cut by Rs.100 crores! Is this inclusive development? We talk about the food security legislation. We are hearing different versions of the food security legislation. We have been demanding a universal public distribution system. We are demanding that the stocks which are there, 2.7 times over what the buffer stock is, are distributed to the States. But, what are you doing, Sir? You have actually cut the food subsidy by Rs.27 crores. I ask you, is that inclusive development?

There are many other examples. But, I would specifically like to come to the issue of the Scheduled Castes, the Scheduled Tribes and women. Sir, as far as the Scheduled Tribes are concerned, we had met the hon. Finance Minister and requested him to monitor what the Planning Commission's guidelines were on the Scheduled Tribes Plan, the TSP and the Scheduled Castes Component Plan. Sir, as you know, it is supposed to be population proportionate. Unfortunately, Sir, far from being population proportionate, this year also, for STs, it should be 8.2 per cent but it is around 5 per cent. For SCs, it should be at least 16 per cent but it is only around 9 per cent. The gap in terms of money is over Rs.30,000 crores. In other words, if the entire component as a proportion of their population had been there, it would have been that much more.

Sir, I request you not to discriminate against these sections. Affirmative action is essential. I had made this point earlier and I would repeat it again that do not divide tribal areas into Maoist-affected and non-Maoist-affected. This is the most absurd proposition of this Government. All tribal areas deserve development. Why are you giving only Rs.25 crores in the name of 'Maoist-affected'?

Are you going to give it for the police? Then make it clear that you are going to give it for security purposes. If you are giving it for tribals, do not discriminate between tribals living in Maoist-affected areas and non-Maoist-affected areas. It is not going to help the tribal population.

Sir, I would also like to speak about the minority issue. What has this Budget got for minorities? Apart from something for some educational institutions - which is very good and we support that - there is nothing. But, what has it got for minorities? One of the biggest programmes for the minorities is the multi-sectoral development plan for minority districts because the Sachar Committee has shown that where the Muslims live, it is one of the worst areas as far as civic facilities and infrastructure are concerned. Therefore, the allocation must be increased. Sir, what does this Budget do? The most important component of that plan, which is 39 per cent of what the original allocations were, it is actually cutting by Rs. 100 crores. Is that fair? Is that just? Is that inclusive? The Prime Minister's 15-point new plan, which is referred to by the Minister, talks about increasing employment opportunities directly in jobs. Why go through all this, Sir? The Ranganath Misra Committee Report is there, they have given their recommendation. They have recommended reservations for Muslims in jobs because a large population of Muslims are socially and economically backward. Therefore, they require that affirmative action. Why do not you implement it?

We have tried to implement it. We have taken steps in West Bengal to try and implement it. I hope that the Government of India will take a leaf out of the West Bengal Government's efforts to empower minorities in the field of increased employment rights and I hope that they will do that at the Central level also. ...*(Interruptions)*... Sir, the last point that I would like to make is a point which is very close to my heart, and that is the issue of women in the Budget.

MS. MABEL REBELLO (Jharkhand): Are other issues not close to your heart?

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Please, do not comment. ...*(Interruptions)*...

SHRIMATI BRINDA KARAT: Let me say especially close to my heart, and that is, Sir, women in the Budget. Sir, this Budget has...

DR. T. SUBBARAMI REDDY (Andhra Pradesh): What are the good points in the Budget? ...*(Interruptions)*... Tell about the good points which are there in the Budget.

SHRIMATI BRINDA KARAT: Sir, don't cut my time. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Subbaramiji, please. ...*(Interruptions)*...

SHRIMATI BRINDA KARAT: Sir, I have to make my friend, Subbarami happy. Sir, I will say I am happy and happy that Anganwadi Workers' and Helpers' salary has been doubled. I welcome that, and I also hope you will take one step more by giving them a pension. Sir, there are 50 lakh...

SHRI TAPAN KUMAR SEN (West Bengal): And bring them in the benchmark of minimum wages.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): No, no. ...*(Interruptions)*...

SHRIMATI BRINDA KARAT: Sir, there are 50 lakh women employed by the Government in different areas. There are 50 lakh ASHAs and Mid-day-Meal Scheme Workers. All of them, Sir, find no place whatsoever in this Budget. Sir, these are 50 lakh workers. They are honorary, Sir. Their work is *sewa* of the nation. So, they do get only a pittance of Rs.500. सर, औरतें सेवा कर-कर के थक गयी हैं। हम घरों में सेवा करते हैं और बच्चों की भी सेवा करते हैं। अब आप चाहते हैं कि हम बाहर जाकर पूरे समाज की सेवा करें, वह भी मुफ्त में! यह होने वाला नहीं है। सर, यह अन्याय है, यह inclusion नहीं है। इसलिए सेवा के नाम पर जो हमारी 50 लाख औरतें काम कर रही हैं, मैं मांग करती हूँ कि उनके लिए एक मिनिमम वेज जरूर होना चाहिए।

Sir, I also say this. I especially would like to mention about the 43 crore workers in the unorganised sector and the home-based sector, a large section of whom are women. Sir, these are those women who are sitting at home and working. For example, this *bindi* which I am wearing is made at home. The women are using a gum, putting this *bindi* on a cellophane piece of paper and packing it. Sir, for the whole day's work, they are not getting more than seven to eight rupees. They are not at all on the Government's agenda. Their work is not reflected in any calculation. Their work is not reflected in any laws. Therefore, Sir, I demand that the large number of women in the unorganised sector and in homebased work and unorganised sector's workers, in general, who are being deprived of social security should be covered. We do not want these insurance schemes which they are giving, which are only going to help the big private insurance companies, and you are

insisting on contributions from these workers. Therefore, we want a proper social security scheme; we want laws for all these women, Sir. These are the Working women of India., The Lakshmi that Pranab Mukherjeeji was praying to, सर, हमारे गांव की जो लक्ष्मी है, फैक्ट्री की जो लक्ष्मी है, अगर उनकी तरफ उनकी नजर हो, तो मैं यह जरूर मानती हूँ कि यह देश निश्चित रूप से धन्य होगा।

In conclusion, Sir, I would refer to the last sentence in the Finance Minister's Speech. He had said, "With oneness of heart, let us all build an India, which is not too distant a future, will enter the comity of developed nations." Sir, there can be a oneness of heart only when there is equality and justice. You cannot have a oneness of heart when two-thirds of India lives in the darkness of myriad deprivations. Let the Government reverse its deeply-flawed policies based on the Neo-Liberal framework which has promoted crony capitalism, which has created huge social inequalities and concentration of wealth. It is then that India will indeed have a oneness of heart and be able to advance towards realizing its full potential. Thank you, Sir.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Thank you, Brindaji. Now, Shri N.K. Singh.

SHRI N.K. SINGH (Bihar): Thank you, Sir. It is all very difficult to follow after the very passionate and very cogent speech made by Brinda Karatji. But, I think, whereas I agree with her on some points, there are others where I have somewhat different perception. Having been involved in budget-making myself, Sir, the Budget-making is almost like a war and in terms of various options and opportunities and from this point of view, I wish to recall a very famous quotation of Napoleon when he said, "I have plenty of clever generals; just give me a lucky one." This Government could not have asked for better in the recognized talent of the Finance Minister, and, of course, his luck.

How else can one explain a credible balancing, for instance, of the difficult choices between inflation and growth in terms of path of fiscal consolidation, in terms of adhering to social sector provision and, of course, Sensex recognizing at the end of the Budget by showing an upward trend. If one were to do a Bollywood script, this could, of course, will be a perfect end. However, Sir, for the reasons which I will come to later, this may prove to be an elusive happy end. Before I come to that, let me point out some three critical positive features which are recognized in the Budget. First and foremost, two years before, I had spoken in this House on the artificial hiatus between Plan and

Non-Plan, between capital and revenue expenditures. Not all expenditures, on the Non-Plan particularly, that which goes, for instance, for maintenance of assets or, for instance, on the capital revenue account, which goes in grant for education, can be regarded as unproductive.

I must compliment that the Budget has begun to take credit for the revenue expenditure which could be considered to be productive and, hopefully, the reclassification of Government accounts will continue to make this positive growth. Second, Sir, on conditional cash transfer, I was on somewhat more different take. I entirely agree with Brindaji that this is not the substitute for the other poverty alleviation programme which the Government must pursue. But I think let us not borrow from Columbia or from Brazil or what is happening in other parts of the world. Let us borrow from the best examples, what is available in States in India, and I think that I must compliment the Finance Minister that what Bihar had begun is what is popularly known now as Nitishnomics in terms of giving conditional cash transfer for bicycle, for school uniforms, for purposes of Kerosene and coupons for food, this has proved to be a great success. So, I compliment in not borrowing from examples of other countries but examples of what are the best practices prevalent in India and replicating them to cover the whole of the country.

I wish the Planning Commission would listen to the Finance Minister a little more and instead of perpetuating the 139 Centrally-sponsored schemes, many of which are duplications, or many other, they would look to an amalgamation of schemes and be able to follow the best practices with States, based on their local experience. Third, I think, I agree that the Finance Minister certainly in the Budget is going way beyond a mere accounting exercise in terms of putting back on the table some areas of economic changes which were lying for quite some time in the cold storage and hopefully will now see the legislative action in the coming months. Having said this, I have an overarching concern with the Budget.

The Prime Minister in reply to the Motion of Thanks to the President and in response to some remarks made by my distinguished colleagues here, Mr. Sitaram Yechury and Mr. Raja, said and I quote from the Prime Minister's reply. The Prime Minister said, "Having had something to put in place that so-called new liberal framework, I plead guilty to that charge." There is a dichotomy if not

a contradiction between a neo liberal philosophy to which the Prime Minister confesses himself to be guilty with the agenda, an inclusive agenda, purported to be the driving force in the Budget.

Sir, I was recently checking up the definition of what is neo-liberal economy means and I came across yesterday a startling new paper in which neo-liberal economy is being defined as follows and I quote from that work, with your permission, Sir. It says, "Neo-liberalism is a set of economic policies that have become widespread during the last 25 years or so. Although the word is rarely heard in the United States, you can clearly see the effects of neo-liberalism here as the rich grow richer and the poor grow poorer..." Around the world, neo-liberalism has been imposed by powerful institutions like the International Monetary Fund, the World Bank and the Inter-American Development Bank...the capitalist crisis over the last 25 years with its shrinking profit rates, inspired the corporate elite to revive economic liberalism. That's what it makes it 'neo', namely 'new'." I am sure looking at this quotation; this is not what the Prime Minister could have meant when he pleaded himself guilty to the charge of being a neo-liberal economist. I now, Sir, come to some other issues which in my first part, I called it creative accounting engineering. I do not call it accounting jugglery because the numbers are transparent and there is no fudge in the numbers. First let me look, Sir, at the colossal amount of under-provisioning. First, the Budgetary support for the Central Plan has increased by only 12 per cent when nominal GDP had grown by 14 per cent. Numbers and subsidies are not credible. There is a gross under-provisioning for subsidies.

The actual subsidy Bill for 2010-11 turned out to be Rs. 48,000 crores higher. The Budget seeks, in fact, a reduction in oil subsidies from Rs. 38,000 crores to Rs. 23,000 crores at a time when oil prices seem to look up. And a drop in fertilizer subsidy from Rs. 55,000 to Rs. 50,000 crores when agriculture apparently is an important focus area of the Budget and food subsidies are being kept at Rs. 60,000 crores at a time when the hon. President in her speech, the Prime Minister and the Finance Minister all eluded to bring in the Food Security Bill to the Table of this House. Similarly, on NREGA, it has been kept constant at Rs. 40,000 crores even though now there is a linkage of NREGA to the consumer price indices. Similarly, on Education, on *Sarva Shiksha Abhiyaan*, the 40 per cent increase in SSA, there is actually only a 10.5 per cent increase over last year's estimate.

Agriculture, Sir, is a shocking story because while the Finance Minister has no doubt invoked the blessings of Lord Indra, he has in fact, with his modest allocation left the agriculture in charge of agriculturists invoking the blessings of Lord Indra.

The allocation for agriculture is far below expectations. For instance, a mere Rs. 400 crores for rejuvenating the entire Eastern State into a second Green Revolution is really, if you ask me, a laughable allocation. Even a State like Bihar which has a robust plan for agricultural revival, the total seed replacement programme with a reach of credit to rural areas to moving off into rainbow agriculture, Bihar alone, Sir, would need not Rs. 400 but Rs. 4000 crores. This is not to speak of the other necessity of money for downstream development of agro processing industry. The Ethanol industry in Bihar is crying for the support of the Central Government in the Presidential assent and remains pending. The allocation in fact, for Agricultural Ministry has actually gone down by 0.2 per cent as compared to last year's Revised Estimate and there has been a 9.4 per cent decrease in food and public distribution Ministry allocation. In fact, Sir, Agriculture requires more fundamental action. The far-reaching recommendations, Sir, made by my distinguished colleague in this House, Prof. M. S. Swaminathan when he had given the National Commission on Agriculture lies in limbo and gathers dust. The two most important recommendations of the Swaminathan Committee Report on Market Price Stabilization and Agricultural Risk Fund gather dust and needs to be revived. Connected, Sir, with this gross under-provisioning is an excessive optimism on revenue numbers. Budget projections Sir, are based on the best-case scenario.

The Medium Term Fiscal Plan projects a nominal GDP growth at 14 per cent of 2011 and 2012. Real growth is expected to be nine per cent. This implies that inflation is projected to be just five per cent less than 50 per cent of the average inflation which we experienced last year. There is something very unrealistic therefore, about these numbers. The Finance Minister also assumes a 40,000 crore revenue from disinvestment when only 20,000 crore was realized in the current year, a number against suspect. Since he will not have the advantage repetitively of the unexpected windfall gains of 3G, non-tax revenues will remain more or less constant and therefore, the right growth of revenue is projected to be 18 and 20 per cent who are already with very high levels of experience this year, may turn out to be somewhat over-estimation. Therefore, Sir, both on account of significant under provisioning and excessive optimistic revenue, the path of fiscal consolidation laid down in this Budget looks suspect.



Conversely speaking, if the borrowing requirement is significantly higher than 3.43 lakh crores, it would lead to classic crowding out effect, which the Government would like to avoid. Therefore, my thrust and contention is that the path of fiscal consolidation, on account of gross under provisioning and an excessive optimism is based on the best case scenario and makes those numbers somewhat suspect.

I, now, come to the key challenges, which remain under-addressed in the Budget. In my view, these are nine political under-addressed challenges. First is, redressing growing income inequality. The Treasury Benches repeatedly inform this House, in response to many questions, that the income inequality has not grown. They come up with statistics to show that income inequality has, in fact, remained static. Yesterday, I did some work on how the income inequality had behaved. To my surprise, the International Monetary Fund, which is the temple of neo-liberalism, had just done a paper in 2010, entitled, and it is a very interesting title, 'India is the Rising Tide Lifting All Boats'. This is the title of that IMF paper. And, what conclusion does that IMF paper come to? Unfortunately, it comes to a conclusion that the gini coefficient has risen from 0.303 to 0.325 for the entire country in the last decade, from 0.285 to 0.298 for the rural areas, and for the urban areas, much worse, from 0.343 to 0.378. There cannot be a more devastating evidence to suggest that the income inequality in the last ten years has, unfortunately, grown significantly. And, this is a very sad conclusion to come to.

Second, there is a lack of coherent strategy for the development of backward regions. The case for a coherent strategy to address the backwardness of the Eastern India, especially Bihar, is compelling and reasonable. A cardinal principle of fiscal federalism is political neutrality in policies, particularly when this comes to devolution of funds. Just like my friend, Yechury, I was going through the statements, submitted with the Budget, on the revenue foregone document, which is a very interesting document. I find that the territory-based revenue foregone for North-East, for Sikkim, for Himachal Pradesh, for Uttarakhand, for J&K, put together, for this year alone is more than Rs. 20,300 crores, consisting of income tax, excise tax, customs and corporate tax. No doubt, these regions deserve special treatment, which they have. But compounding the loss, over the life of this, comes to a grant of Rs. 125 thousands crores, given to these special regions. In relation to Rs. 125 thousand crores, transferred to these special regions, Bihar's plea is for a similar treatment, given

the bifurcation of the State, given the period disasters that it faces, given the fact that it is now strapped of raw materials, is a compelling and rational one, and, hopefully, we will receive some degree of empathy from the Finance Minister and Treasury Benches.

Third, Sir, the Finance Minister was expected to articulate a policy designed to bring down the current account deficit to manageable levels. Even the Reserve Bank has expressed its worry over the current account deficit of 3.5 per cent of the GDP in 2010-11. The another thing that is equally worrying is that the export-import ratio of India's merchandise trade has come down from 64 per cent in 2010 to 86 per cent in 2011. A ballooning of the balance of trade deficit to the size of 13 per cent of the GDP is also equally challenging and unsustainable. Apart from the current account deficit, the mode of financing the current account deficit, which is confessed by the Finance Minister in his speech, and brought out in the Economic Survey, is an equal challenge because doing by reversible volatile FII flows is putting the country to a path of uncertainty. Therefore, how to bring down the current account deficit through a coherent strategy, deserves high attention.

Sir, the fourth challenge is, and this is a challenge which many have addressed - how to manage high and persistent inflation and inflationary expectations? The Economic Survey, Sir, has been candid. It confesses that due to the high incidence of inflation, 40 million people may have gone back deeper into poverty. As some people come out of poverty, some others go back into poverty. Is there a mitigation strategy for this? Or, are we, Sir, re-enacting the Greek tragedy of the myths of the Sisyphus - when you begin to roll the stone up to the mountain and as you reach the mountain, the stone begins to come down. As people come out of poverty, more people are going into poverty. They will be inflicted or burdened by the rising inflationary pressures. Sir, the Reserve Bank can't do any better. They have done six rounds of liquidity tightening. Interest rates are high, investment sentiments are low and rekindling an investment-led growth pose equal challenges. We need, Sir, not have a mere dependence on exogenous circumstances turning favourable, but a more credible response on inflation, which can, genuinely, improve supply side elasticity and can meet the growing disequilibrium between demand and supply.

Our fifth challenge, Sir, is the fiscal consolidation. What is important is not merely achieving numbers, but the quality of fiscal consolidation is equally important. The Economic Survey alludes to this. You will not be able to have a replication of this year's windfall gains again for the next year - the quality and outcomes of public expenditure, and a central Strategy from a credible fiscal

consolidation strategy, not merely by knocking out subsidies, under providing and making unrealistic projections on revenue estimates.

The sixth challenge, Sir, which he has taken upon himself and I commend him for pulling out a whole host of legislations from the cold storage and this is something to which I commend the Finance Minister's ability to take on this risk. Hopefully, Sir, there is a time frame in which these Bills will see the light of the day. Hopefully, the Finance Minister will be able to get bi-partisan support. If you ask me, frankly speaking, this will test his great ability and his fabled capability of getting a Parliamentary bi-partisan consensus to get a Parliamentary seal for these Bills.

The seventh challenge, Sir, is the decline in manufacturing sector. Sir, the statistics are really, appalling. For every quarter, from 2009-10, manufacturing sector has been declining and the latest estimate has turned into a negative zone. My colleague, Shri Ashok Ganguly, yesterday, had asked a question which remain under-addressed that what you are going to do to improve the productivity in the manufacturing sector. What are you, for instance, going to do, Sir, to usher in what the world now calls the second industrial revolution? This second industrial revolution, Sir, is predicated not on the kind of the industrial revolution which we have had, which has excessive fossils, fuel and high energy intensive day, India has a unique opportunity of grasping to a second industrial revolution based on utilization in low intensive skills, creating manufacturing hubs and creating virtuous circles on employment from revival of India's manufacturing sector. This requires a strategy. Unfortunately, Sir, even the far-reaching recommendations of the Manufacturing Competitive Council lies gathering dust, and is yet to see the light of the day. And how to make that into seeking a new industrial revolution remains a challenge and hopefully, the Government will come up with a White Paper on this.

Finally, there are two other points, Sir. First the point is on employment generation. If you look at the employment data today, you will find that India has a staggering rate of 9.4 per cent rural unemployment and 10.1 per cent unemployment in the urban sector. These are under estimates, Sir, because they do not take into account disguised unemployment, they do not take into account seasonal unemployment and they do not take into account under-employment. There should be a credible employment strategy, and we would request the Government to come up with a White

Paper on unemployment because I think that, today, if you look at the United States, you will listen to only one slogan - What is Obama interested in? The United States is, quite, a leadership which many want to follow, he says only one thing - jobs, jobs and jobs. Where is our employment creating 'jobs, jobs, jobs'? We hope you will come up with a White Paper on employment during this Session.

Two more points and I will end. There is no credible roadmap, Sir, on how to incentivize the direct foreign investment strategy. Sir, as the US economy begins to look up and that is why there is a reverse flow of capital on FII, the emerging markets have lost \$ 30 billions. In the last three months, we have lost \$ 3 billion. There will be an era of growing capital scarcity.

What can we do to change the climate of investment where we can begin to have a reversal, begin to see positive flows of Foreign Direct Investment into the country instead of merely encouraging FII volatile flows which are reversible?

Sir, if the Finance Minister wishes to combine continued excellence with luck, if he continues to want to have a combination of both luck and excellence, then these challenges need to be addressed, That truly will lead to a happy ending. Sir, I want to end again with something that Napoleon had said, "You cannot win a war unless you wage one."

The implementation of the Budget will test the Finance Minister and the Government's resolve to truly wage a war against poverty, against hunger, against growing income inequality and a true quest for inclusive growth. Thank you, Sir.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Thank you Mr. N.K. Singh. So, you are fond of Napoleon; starting and ending your speech with Napoleon. Next speaker is, Shri Tariq Anwar.

**श्री तारिक अनवर (महाराष्ट्र):** उपसभाध्यक्ष महोदय, कल से इस सदन में बजट पर चर्चा चल रही है और मुझे इस बात की खुशी है कि दोनों पक्षों के वक्ताओं ने देश के सामने जो समस्याएं हैं, उन पर अपनी चिंता व्यक्त की है। वित्त मंत्री जी ने भी अपने वित्तीय भाषण में इस बात का उल्लेख किया था कि सदन के माननीय सदस्य अगर कोई ठोस सुझाव देते हैं तो उसका स्वागत किया जाएगा, उसका खैर-मकदम किया जाएगा।

उपसभाध्यक्ष महोदय, किसी भी सरकार का जो बजट होता है वह आम आदमी और देश की आर्थिक दशा और दिशा को सुधारने का एक खाका होता है, एक ब्लू प्रिंट होता है और सरकार के सामने जो उसका लक्ष्य होता है

और अगले साल किस तरह से उस लक्ष्य की प्राप्ति होगी, उसके बारे में विस्तार से सरकार उस पक्ष को रखने की कोशिश करती है। यह बात सही है कि दुनिया में मंदी का जो दौर चला, आर्थिक मंदी का जो सिलसिला चला उसके बावजूद भी हमारी विकास दर लगभग 8.6 प्रतिशत बनी रही और बजट के घाटे में भी कमी आई, जो लगभग 4.8 प्रतिशत पर जाकर रुकी। उसका एक दूसरा पक्ष भी है कि हमारे मैन्युफैक्चरिंग और सभी सैक्टर पर जो आर्थिक मंदी का साया है, उसके कारणवश अपेक्षा के अनुरूप उसका परिणाम नहीं आया। लेकिन हमें उम्मीद है कि आने वाले समय में इस क्षेत्र में भी समस्या का समाधान होगा।

उपसभाध्यक्ष महोदय, इस बजट में जैसा मैंने कहा कि जो देश के सामने चुनौतियां हैं चाहे वह गरीबी है, बेरोजगारी है, भ्रष्टाचार है और हमारे देश की तमाम जो भिन्नताएं हैं - अलग-अलग जाति, अलग-अलग धर्म की चुनौतियां हैं, उन सब को ध्यान में रखकर किस तरह से सामूहिक रूप से देश को आगे बढ़ाया जाए, इस बात की चर्चा करने की कोशिश की गई है। यह बात भी सही है कि जो समस्याएं हमारे सामने हैं, जो चुनौतियां हमारे सामने हैं, चाहे वह महंगाई की हो, बेरोजगारी की हो, चाहे अन-ऑर्गनाइज्ड सैक्टर की हो, उनका समाधान एक साथ नहीं किया जा सकता। सरकार को प्राथमिकताएं देनी पड़ती हैं कि किस सैक्टर में, किस क्षेत्र में हमें कितनी पूंजी लगाने की आवश्यकता है, ताकि उसमें सुधार हो सके। इस बजट में खास तौर से सोशल सैक्टर में, क्योंकि हमारे लिए सोशल सैक्टर बहुत ही आवश्यक है भारत जैसे देश के लिए जहां बहुत सारी समस्याएं हैं, जैसा मैंने शुरू में कहा कि गरीबी की समस्या है, बेरोजगारी की समस्या है और बहुत सारी चीजें हैं, उस सैक्टर को कैसे ठीक किया जाए जो हमारे बुनियादी ढांचे से जुड़ा हुआ है, उसको सुधारने की आवश्यकता है और इस दिशा में जो प्लान एलोकेशन हुआ, उसमें पिछले साल के मुकाबले 17 परसेंट की बढ़ोतरी की गई है। जो टोटल प्लान एलोकेशन हुआ, उसमें 36.4 प्रतिशत टोटल बजट का हिस्सा आया, जिसमें शिक्षा है और शिक्षा के क्षेत्र में 24 प्रतिशत की बढ़ोतरी हुई है और हेल्थ सैक्टर में 20 प्रतिशत की बढ़ोतरी हुई है।

कृषि हमारा सबसे महत्वपूर्ण क्षेत्र है। हमारे देश में अक्सर सूखा पड़ता है, प्राकृतिक प्रकोप आते हैं, उसके बावजूद भी, कठिनाइयों के बावजूद भी, कृषि क्षेत्र में 5.4 प्रतिशत की विकास दर प्राप्त की गई है, मैं समझता हूँ कि यह हमारे देश की विकास दर को बनाए रखने में महत्वपूर्ण भूमिका निभाएगी। मैं इसके लिए कृषि मंत्री जी को और वित्त मंत्री जी को मुबारकबाद देना चाहूंगा। इस क्षेत्र में पिछले वर्ष के मुकाबले में 1105 करोड़ रुपये की बढ़ोतरी की गई है। एग्रीकल्चर में छोटी अवधि के कर्जों पर इंटरेस्ट कम किया गया है। इसी तरह से कृषि ऋण का लक्ष्य इस साल 3 लाख 75 हजार करोड़ रुपये से बढ़ाकर 4 लाख 75 हजार करोड़ रुपया किया गया है, इसलिए निश्चित रूप से छोटे किसानों को इसका लाभ मिलेगा। मुझे लगता है कि कृषि क्षेत्र में और अधिक ध्यान देने की आवश्यकता है। हमारा प्रयास होना चाहिए कि हमारा जो उत्पादन है, वह बढ़े और उत्पादन बढ़ाने के लिए कृषि क्षेत्र में सरकार को अधिक से अधिक ध्यान देने की जरूरत है।

इंफ्रास्ट्रक्चर के क्षेत्र में, इस सरकार ने जो निर्णय लिया है, वित्त मंत्री जी ने बजट में जो प्रावधान रखे हैं, मैं समझता हूँ कि उनकी भी तारीफ करनी चाहिए। इस बार के बजट में इंफ्रास्ट्रक्चर के लिए लगभग 23.3 प्रतिशत की बढ़ोतरी की गई है। Rural sector में भारत निर्माण प्रोग्राम के माध्यम से हमारे गांवों की तस्वीर बदलने की कोशिश की जा रही है। इस क्षेत्र में भी करीब 10 हजार करोड़ रुपये की वृद्धि की गई है। Backward Region Grant Fund में भी 35 परसेंट की बढ़ोतरी की गई है। हमारा लक्ष्य Inclusive growth है और आम आदमी के सरोकारों से जुड़ा हुआ वित्त मंत्री जी ने यह बजट पेश किया है।

सर, चुनौती की बात मैंने शुरू में कही। यह सही है कि हम जनता के हितों में फैसले लेते हैं और जब हम आम आदमी के हित में फैसला लेते हैं, तो हमारा ध्यान इस बात पर होना चाहिए कि किस तरह से हम उनकी अधिक से अधिक मदद कर सकते हैं, उनकी सहायता कर सकते हैं। हमारी सरकार जो भी प्रयास कर रही है, उसमें हम लोग कार्यान्वयन के तरीके में कमी महसूस करते हैं। हम जो भी योजनाएं बनाते हैं, उनको किस ढंग से लोगों तक पहुंचाया जाए, इस सिस्टम में जो कमियां हैं, उनको दूर करने की आवश्यकता है। इस दिशा में कदम उठाने के लिए वित्त मंत्री जी ने कहा भी है। प्राइस राइज के बारे में यहां पर बहुत कुछ कहा गया है। यह बात सही है कि प्राइस राइज से आम आदमी प्रभावित होता है और उस पर अंकुश लगाना चाहिए। इसके लिए मैं समझता हूँ कि जो पेट्रोलियम पदार्थों की कीमतें बढ़ी हैं, वह एक कारण हो सकता है। लेकिन इसके साथ-साथ Agricultural products; short supply; marketing; distribution की कमियों को दूर करने की आवश्यकता है। यूपीए-1 और यूपीए-2 की सरकार ने जो निर्णय लिए, किसानों को जो लाभकारी मूल्य दिए, मैं समझता हूँ कि वह भी आवश्यक था, क्योंकि लोग कृषि से उदासीन होते जा रहे हैं। फिर से, उनको कृषि की तरफ आकर्षित करने के लिए यह आवश्यक कदम था कि उनको लाभकारी समर्थन मूल्य दिया जाए।

इसके साथ ही साथ जो artificial illegal hoarding होती है, उसके कारण ही बाजार में चीजों की कमी होती है और लोगों को जो महंगाई की मार सहनी पड़ती है, वह भी इसी के कारण सहनी पड़ती है। इन सबका कारण artificial illegal hoarding ही है। हमारी सरकार को इसके लिए कड़े कदम उठाने चाहिए। मैं वित्त मंत्री जी के उस सुझाव का समर्थन करता हूँ, जिसमें उन्होंने Agricultural Produce Marketing Act पर पुनः विचार करने के लिए कहा है। यहां पर सब्सिडी की बात कही गई है। यह बात सही है कि हम जो सब्सिडी देते हैं, वह गरीब लोगों की मदद करने के लिए, छोटे किसानों की मदद करने के लिए और जो लोग आर्थिक बोझ सहन नहीं कर सकते हैं, उनकी मदद करने के लिए देते हैं। मैं समझता हूँ कि इस बजट में जो direct transfer of cash subsidy की बात कही गई है, अगर इसको ठीक ढंग से लागू किया जाए, तो यह एक अच्छी बात होगी। जब हम अपने क्षेत्र में जाते हैं, तो इस बात को महसूस करते हैं कि सब्सिडी का जो लाभ आम आदमी को मिलना चाहिए, वह नहीं मिलता है। जो बिचौलिए होते हैं, जो मिडिल मैन होते हैं, वे उसका लाभ उठा लेते हैं और बेचारा गरीब देखता रह जाता है। केन्द्र

सरकार के द्वारा या राज्य सरकार के द्वारा जो नीति निर्धारित होती है, उसका जो लाभ गरीब आदमी को डायरेक्ट मिलना चाहिए, वह नहीं मिलता है। अगर हम इस मामले को ठीक कर सकते हैं, तो हमें इसे ठीक करने की कोशिश करनी चाहिए।

यहां पर फर्टिलाइजर की बात कही गई है, वह सही है। उसमें कहा गया है कि जो BPL से नीचे के लोग हैं, उनको सब्सिडी दी जाएगी, लेकिन हमें उसमें छोटे किसानों का भी ध्यान रखना होगा और जो मध्यम वर्ग के किसान हैं, उनका भी ध्यान रखना होगा। आज किसानों की जो दुर्दशा है, हम उससे इंकार नहीं कर सकते हैं। जो मनरेगा के वेजेज बढ़ाए गए हैं, वह भी एक अच्छा कदम है। मैं समझता हूं कि अन-आर्गनाइज्ड सेक्टर में जिस स्वावलम्बन स्कीम का जिक्र किया गया है, वह स्वागत योग्य है। इसके साथ ही जो National Indira Gandhi Old Age Pension Scheme की बात कही गई है, मैं इस बात की चिंता व्यक्त करना चाहता हूं कि अन-आर्गनाइज्ड सेक्टर के लिए अभी तक जितनी भी स्कीम्स सरकार ने बनाई हैं, हम उनको ठीक ढंग से लागू करने में कामयाब नहीं हुए हैं। उनकी प्रक्रिया इतनी कठिन और भ्रष्टाचार से ग्रस्त है कि उनको जिस उद्देश्य से बनाया गया था, उसमें पूरी तरह से कामयाबी नहीं मिली है।...(व्यवधान)...

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Your party has one more speaker. Can you finish by 1 o'clock?

SHRI TARIQ ANWAR: Yes, Sir, I will finish in two minutes. बजट में फॉरेन डायरेक्ट इन्वेस्टमेंट की बात भी कही गई है, यह ठीक है कि जब तक हमारे पास इन्फ्रास्ट्रक्चर के लिए पूंजीनिवेश नहीं होगा, तब तक हम अपनी समस्याओं का समाधान नहीं कर पाएंगे। मेरा वित्त मंत्री महोदय से आग्रह है कि इन्फ्रास्ट्रक्चर के मामले में हमें आगे बढ़ने के लिए अपनी ऊर्जा जरूरतों को भी समझना होगा। महोदय, बजट में ऊर्जा के क्षेत्र में वैकल्पिक उपायों और renewal energy sources के ऊपर कोई खास ध्यान नहीं दिया गया है।...(समय की घंटी)... हमें अपने को आत्मनिर्भर बनाने के लिए, इस दिशा में भी गंभीरता से सोचना होगा। महोदय, समय का अभाव है, इसलिए मैं आपको धन्यवाद देते हुए अपनी बात को यहीं समाप्त करता हूं।

आंगनवाड़ी के बारे में लोगों ने कहा है कि सरकार ने अच्छा फैसला लिया है कि उनके वेतन को दुगुना कर दिया, हम इसका स्वागत करते हैं और लोगों ने भी इसका स्वागत किया है, पूरे सदन ने इसका स्वागत किया है। मैं चाहूंगा कि इसी तरह से और क्षेत्रों में भी हमें कमजोर लोगों की मदद करनी चाहिए।

हमें अपने PDS सिस्टम को भी दुरुस्त करने की जरूरत है, क्योंकि PDS के माध्यम से हम गरीब लोगों तक जो सामान देने की बात करते हैं, उसमें सुधार करने की आवश्यकता है।

महोदय, मैं इन्हीं शब्दों के साथ इस बजट का समर्थन करता हूं और अपनी बात यहीं समाप्त करता हूं।

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Now, Shri Shashi Bhusan Behera.

SHRI SHASHI BHUSAN BEHERA (Orissa): Sir, it's a very important occasion.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Now, there will be lunch break for half-an-hour. The House stands adjourned to meet at 1.30 p.m.

*The House then adjourned for lunch at one of the clock.*

*The House reassembled after lunch at thirty six minutes past one of the clock,*

{THE VICE-CHAIRMAN (PROF. P.J. KURIEN) *in the Chair*}

SHRI SHASHI BHUSAN BEHERA: Thank you, Mr. Vice-Chairman, Sir, that you gave me the opportunity to participate in the Budget discussion prior to lunch. Sir, certainly the Budget discussion is a very important parliamentary exercise. During the past two days, we have discussed many things, and senior leaders like Ravi Shankar Prasad, Brinda Karatji and N.K. Singh have put very important suggestions and observations of their own. Sir, ours is a country of 1.2 billion people. The Congress Party has got the maximum opportunity to rule this country, whether as a single party or with allies.

The present Finance Minister, Mr. Pranab Mukherjee, *dada*, has presented the Budget six times in this Parliament. This is the sixth time when he has presented the Budget. In my observation, the Budget is prepared with the influence of the corporate sector's influence. What is the result look out the present economic scenario of this country? Sir, 77 per cent of the population's per day expenditure is twenty rupees only. This is the position where we have reached after 64 years of independence. If we think of education, 33 per cent are still illiterate. If we think of health care and other things, we are much behind even many smaller countries of the world. Still health care is inaccessible to the mass tribals and poor people living in rural areas. And, if we look into the Budget, that has been presented by the Finance Minister, if we think of healthcare sector, the expenditure on health is managed only to the extent of 26 per cent by the national Government, the rest of the 67 per cent is managed by private household expenditure. So, the common people are spending from their own pocket on the health care; the Government is confined only to 26 per cent and one odd per cent is being managed by external assistance.



Sir, along with health and education, agriculture is the most neglected sector since 1947. If you can assess the scenario of the farmers' plight, 2,50,000 farmers had committed suicide till 1997. You can be sure that the figure is certainly higher in 2010.

Sir, as per the NCRB data, some 17,638 farmers committed suicide only in the year 2009. This is because of \* negligence of agriculture sector by bad governance and poor fiscal management. Fiscal management is a very important aspect of our parliamentary form of governance. Fiscal management can improve our economic growth and it can reduce the inflation. But we are never thinking on that side. We are not looking at the production side. Production also declined, though we are giving emphasis on agriculture. Over the years, the production of rice and wheat declining. There is a decline in foodgrains production.

The Budget allocation for agriculture is very miserable. I am going back to the figures of 2009-10. The amount of Rs.10,527 crore was allocated for agriculture sector and allied aspects like irrigation and other things. In 2010-11, it was Rs.12,836 crore. This is an increase of only 11 per cent a year after.

We think of rural development. But what is the allocation for rural development in the Budget? In the year 2010-11, only Rs.60,000 crore were allocated for rural development. That's only 15 per cent of total Budget allocation. From here you can assess how much importance you are giving to the rural development. Eighty-five per cent of the population live in the rural areas. This is the distress faced by the rural India, which is the real India. And we are neglecting it. The real India is still neglected.

The Agriculture budget should be enhanced to a limit so that it can cover up the negligence made in the last 64 years. The Government should try to cover the negligence of the last 64 years. In five years it should be projected accordingly to improve the performance of agriculture sector. For this, we have to develop the infrastructure side of the agriculture and social sector side of the agriculture. Nothing has been pledged in this Budget for the improvement of agriculture infrastructure. With such a meager allocation, we cannot go for better infrastructure development and we cannot think of social sector development of farmers in agriculture sector.

What is the net result of this year's fiscal management? The Budget of 2011-12 is the most cruel budgetary blow to the middle classes. There is nothing in it for the middle classes, the poor people, and the salaried section. They will have to pay more for the essential consumer goods and health care. Nothing has been taken care of in this Budget. Instead you are cutting the allocation

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\*Expunged as ordered by Chair.

from fuel, fertilizers, and food sector. Price rise is there. On the one hand, food inflation is growing. On the other hand, you are cutting subsidy from food sector. This is very unrealistic. You have planned to reduce the fiscal deficit to 4.06 per cent of the total GDP. To do so, the Government is thinking of borrowing from market. We are still a borrowing state; we are not self-sufficient; and we are dreaming that we will become a self-sufficient economy. No specific steps have been taken to curb inflation.

Two major issues are corruption and black money. We have a callous attitude towards them. These are the two major factors which are cause of concern for our economy's growth. We never think of how to eradicate corruption. The latest revelation of corruption of the present Government is very\*.

People talk of 2G spectrum scam; people talk of CWG scam; people talk of other scams; and, people talk of deposits in foreign banks. These big amounts in our economy are being wasted in an anti-people way. So, that is not coming to the benefit of the people. It does not address poverty of the people. Sir, because of the ensuing elections in five States, the Government has placed this voter-oriented Budget. Moreover, I think, it gives support to the Congress-ruled States. It will be correct to say that this is an election Budget. It's a sweet-coated Budget, giving some small reliefs to farmers, weavers and salaried persons. So, this cannot encourage economic growth. This cannot reduce inflation from which we are suffering.

Sir, I want to speak of one more thing. Sir, I would say that this is a Budget as *mahakal fal*. Mr. Pany is looking at me. There is a fruit in Orissa called *mahakal fal* which looks very bright and red in colour. But, it is not meant for human consumption. This Budget is like that. This is like *mahakal fal*.

**श्री रुद्रनारायण पाणि (उड़ीसा):** आपकी पार्टी क्या कांग्रेस को समर्थन दे सकती है? ...(व्यवधान)...

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Mr. Pany, don't interrupt. शशी भूषण जी, आप बोलिए। Please continue. ...(Interruptions)... Mr. Pany, please don't interrupt. ...(Interruptions)... आप बोलिए ...(व्यवधान)...

**श्री रुद्रनारायण पाणि:** सर, यह फैक्ट है। इनके advisor ने कहा था कि अगर कांग्रेस को आवश्यकता हुई, तो समर्थन देंगे ...(व्यवधान)...

SHRI SHASHI BHUSAN BEHERA: Sir, this is unrealistic in nature.

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\*Expunged as ordered by Chair.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Mr. Shashi Bhusan, your party has one more speaker.

SHRI SHASHI BHUSAN BEHERA: Sir, I will take 2-3 minutes. This is how we are thinking of inclusive growth. This Budget is like *mahakal fal* and it has nothing for poverty eradication and nothing for economic growth. Sir, I doubt the inclusive growth plan of this Government. This Budget offers no cheer for middle class, poorer sections and even salaried employees. Millions of tonnes of buffer stock of foodgrains have rotten due to lack of storage facilities. This Government is unable to provide storage facilities to preserve the foodgrains which have rotten, but, not given to hungry people. This is the state of affairs. Food inflation and rising prices are sky-rocketing. So, there is nothing to speak of. So many times, this has been discussed in this House. There is no job creation - neither in agricultural sector nor in industrial sector. So, there is massive unemployment ...(*Time-bell ring*)... in this country. So, because of decline in manufacture growth, there is infiltration by foreign manufacturers.

Sir, one minute please. I am concluding. Sir, in industrial sector also, the public sector like BHEL is in a helpless position because the foreign companies from China are also selling the components in our country. So, this type of infiltration of industry should be checked. Sir, I am talking of Orissa. The backward States like Orissa are being neglected thoroughly in this Budget presented by this Government. Sir, this time, they have enhanced 20 per cent tax on iron ore. Sir, if this iron ore taxation is shared with the State Government, Orissa's economic growth will improve. Sir, Orissa is thickly populated with Scheduled Castes, Scheduled Tribes, OBCs and other minorities. It comprises more than 85 per cent of the population. So, improvement of this region comprising backward population ...(*Time-bell rings*)... must be supported by the Central Budget. But, nothing has been reflected in this Budget. So, I am disheartened with this Budget. I am not hopeful that this Budget will eradicate poverty and help in the economic growth of this country. Thank you.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): Now, next speaker is Mr. Elavarasan. But, Mr. Rajeev Chandrasekhar has requested that since he has to go early, I am allowing him to speak. You please take 5-7 minutes because in 'Others' category, there are 14 speakers.

SHRI RAJEEV CHANDRASEKHAR (Karnataka): Sir, thank you very much for allowing me to speak. Sir, at the outset, let me compliment the Finance Minister for a speech that has a clear and

precise articulation of the challenge facing our economy and country, including the mention of endemic phenomenon of corruption for the first time.

Sir, my colleagues have spoken about various aspects of the Budget. So, let me quickly speak about the issues of governance.

In the Budget speech, referring to these instances of corruption, the Finance Minister said, "We have to seize in these developments, the opportunity to improve our regulatory standards and administrative practices. Corruption is a problem that we have to fight collectively." Sir, I agree with him and so will the rest of the House. But, Sir, corruption is not the problem. Rather, corruption, nepotism and special interests are the symptoms of a deep-rooted malaise in our Government system that is threatening to dismantle and derail the concept of public life and democratic Government that our founding fathers envisioned.

Sir, the need to usher in better governance is not an academic issue nor is it only about morality and probity in public life. Good governance has very tangible benefits in terms of money. It improves fiscal position of Governments and allows them to spend more on the needy in the country. It also creates a far more sustainable and prolonged growth cycle by creating a investment environment. A good example of benefits of good governance is the recent windfall of Rs.1,40,000 crore that accrued to the Government through the 3G auction despite pressure and lobbying from many quarters, including business leaders. This amount of Rs.1,40,000 crores represented 14 per cent of the total Budget outlay, which the Finance Minister himself has recognized, has helped in the faster fiscal consolidation last year.

Sir, let me draw the attention of the House to interesting language in the Economic Survey authored by the Finance Minister's Economic Advisor Shri Kaushik Basu - "For India to develop faster and to do better as an economy, it is important to foster the culture of honesty and trustworthiness." It also states - "Hence, to cut down on corruption and pilferage, we have to design policies in such a way that there is no incentive for ordinary citizens and the enforcers of the law to cheat."

Sir, the problems of governance arise from the issue of unfettered discretion - unfettered administrative discretion in dealing with public assets and unfettered administrative discretion in doling out Government contracts and spending with very little oversight and if there is oversight, failure and compromise of oversight institutions like independent regulators, leading to repeated instances of public policy and regulators captured by vested interests.

Sir, the current telecom scam is such an example of compromised regulators, public policy captured by vested interests and administrative discretion being used to the fullest to benefit some private interests.

Sir, let me propose the solutions as well. The solutions are obvious. The Finance Minister must usher into the Government a value for money culture - a culture that reinforces the truth that Government is only a trustee of public money and assets. The spending of this money and the handling of public assets must always pass the test of national good, and not the misused public interest argument that is often used to give scarce national assets to private interests.

I would propose a four-point strategy for the Finance Minister to counter corruption. Firstly, there should be statutory disclosures by all Government Departments on commercial decisions. Disclosures are the best way to keep Government Departments honest. Knowing that their financial decisions are available for media and people to scrutinize is a great way to encourage honesty. Secondly, there should be more effective Finance Ministry oversight on all commercial decisions relating to spending, contracts and public assets. Thirdly, increased use of technology for ensuring better disclosure and expenditure management and the Budget refers to the TAGUP's Report. And I would recommend that the expenditure information system recommended by TAGUP be implemented. Fourthly, we should have a re-look at this whole concept of independent regulatory institutions.

Sir, let me dwell a bit on the last issue of regulators which the Finance Minister has touched upon in his speech and the Prime Minister also spoke about last year.

In recent years, independent regulators have become parking spots for retired bureaucrats. Independent regulators should not and cannot be another layer of bureaucracy. We must create motivated, public service-oriented and specialised people who want to serve as independent regulators.

Sir, telecom is a classic example where very poorly equipped people or people with questionable integrity were put as regulators and they had presided over the public policy which is captured by vested interests. The Supreme Court has also recently said that the CVC need not be chosen from retired bureaucrats. Creating a set of credible regulatory institutions is one of the most important requirements of delivering governance and improving the state of governance. In the words of a contemporary Indian historian and I quote:

"We have to repair one by one, the institutions that we have inherited and build new ones to help us meet the challenges of the coming years."

Sir, let me end by addressing two specific Budget requests to the Finance Minister. The service tax on health service providers will have an impact of raising health costs across the board by five per cent. In a country where health delivery by the public health system is still very patchy, this service tax is being increasingly referred to as "misery tax". I accept the basic logic of ensuring all services to be under the service tax. But I would urge the Finance Minister to exempt health till such time the Government is able to target and exempt the poor from this additional cost.

Lastly, before I conclude, I want to raise the issue of "one rank, one pension" for our veterans. I feel disappointed that, as a nation, we are seeing a need to have this discussed in Parliament. These proud men and their families have served our nation selflessly with a certain belief that the nation and its people will look after them when it comes to their turn to be looked after. At a time, when there are visible signs of crony capitalism and hundreds of thousands of crores of largesse and benefits being given to vested interests, how can we look into the eyes of these veterans and deny them their legitimate demand quoting budgetary constraints? I would urge upon the Finance Minister let not a few hundreds crores of rupees come in the way of our duty to help these men and their families. I hope the Finance Minister and the Defence Minister will respond to this plea. Thank you, Sir. Jai Hind.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Thank you, Chandrasekharji, especially for adhering to the time. Thank you very much. Mr. Elavarasan.

SHRI A. ELAVARASAN (Tamil Nadu): How much is the time, Sir?

THE VICE-CHAIRMAN (PROF. P.J. KURIEN): You should also adhere to the time.

SHRI A. ELAVARASAN: Hon'ble Vice Chairman Sir, I thank you very much for giving me this opportunity to speak on this discussion on Budget (General) 2011-2012, presented by our Hon'ble Finance Minister. Sir, in this budget, there is no proposal either for the progress of farmers, or for improving the standard of living of the middle class, or for the welfare of the poorer sections of the people, or for the empowerment of educated youth to be self-employed or for the improvement of the livelihood of youth. It really causes distress to graduates like me. Sir, at the same time, this budget has helped only the industrialists, the entrepreneurs, and the corporate sector. This budget is beneficial only for millionaires and it intends to help the rich to become richer.

**2.00 P.M.**

Sir, the prices of all commodities are skyrocketing. The price rise is threatening entire India. It is frightening for the poorer sections of India. People are suffering a lot due to this price rise. Hon'ble Vice Chairman Sir, in Tamil Nadu, one kilogram of rice is distributed for one rupee through Public Distribution Shops. On the contrary, salt, which is essential for preparation of all food items, costs Rs.9 per kilogram. The price of a matchbox is Rs. 3/. I would like to compare the prices of certain commodities prevailing last year with prices in the current year. The price of one kilogram of tamarind last year was Rs.40 and this year, it is Rs.90. Chillies cost Rs.65 per kilogram last year, but they cost Rs.105 per kilogram this year. Similarly, kerosene's cost was Rs.16 per litre last year and its cost this year is Rs.22 per litre. Last year, one kilogram of wheat cost Rs.18 and this year one kilo gram of wheat costs Rs.25.

Vice-Chairman Sir, therefore, I would like to know the reason for this price rise. What steps have been taken by the Government to control and prevent price rise? No initiative was announced in the budget to control price rise. The Public Distribution System has to be strengthened to control price rise. All food materials have to be distributed through Public Distribution System. Price of petrol has to be reduced. Pricing of petrol has to be regularized by the Government. The duty on diesel has to be abolished. Hon'ble Deputy Chairman Sir, Rs.12,57,750 crore has been allocated in this budget.

THE VICE-CHAIRMAN (PROF. P. J. KURIEN): Mr. Elavarasan you can continue after question hour.

MR. CHAIRMAN *in the Chair*

#### **ORAL ANSWERS TO QUESTIONS**

##### **NGOs from Jharkhand receiveing grants-in-aid from the Ministry**

\*201. MS. MABEL REBELLO: Will the Minister of SOCIAL JUSTICE AND EMPOWERMENT be pleased to state:

(a) whether many NGOs from Jharkhand are receiving grants-in-aid from the Ministry for various schemes;

(b) if so, the details of NGOs and amount of grants-in-aid paid to them during the last three years, scheme-wise; and