

are Boiling Water Reactors of the type being operated in Japan. A safety audit of these reactors has been completed recently. Indian nuclear plants have in the past met their safety standards. Following the earthquake in Bhuj on 26th January, 2002, the Kakrapar Atomic Power Station continued to operate safely without interruption. Following the 2004 tsunami, the Madras Atomic Power Station was safely shutdown without any radiological consequences. It was possible to restart the plant in a few days after regulatory review.

Sir, I would like to assure hon. Members of the House that the Government attaches the highest importance to nuclear safety. The Department of Atomic Energy and its agencies including the Nuclear Power Corporation of India have been instructed to undertake an immediate technical review of all safety systems of our nuclear power plants, particularly, with a view to ensuring that they would be able to withstand the impact of large natural disasters such as tsunamis and earthquakes.

Sir, I would also like to inform the House that work is underway in the Department of Atomic Energy towards further strengthening India's national nuclear safety regulatory authority. Thank you.

SHRI SITARAM YECHURY (West Bengal): Sir, clarifications.

MR. DEPUTY CHAIRMAN: Not now; we shall do that later. ...*(Interruptions)*... Hon. Finance Minister.

THE BUDGET (GENERAL) 2011-12 — *(contd.)*

SHRI PRANAB MUKHERJEE: Mr. Deputy Chairman, I would like to make observations with regard to 'inflation management'. In para 4 of my Budget Speech, which I would not like to quote here, I have stated that it is one of the most important and serious concern, which we shall have to deal with. Sir, when inflation takes places, classically, there are two aspects; one from the supply side and the other from the demand side. Throughout the year 2010-11... *(Interruptions)*..

SHRI SITARAM YECHURY: Sir, your mike supply is off. ...*(Interruptions)*... When you said, supply side - demand side, your mike supply discontinued. ...*(Interruptions)*...

SHRI PRANAB MUKHERJEE: Actually, the basic reason of the food inflation is of the supply bottlenecks. If the supply side deficiency was not there, perhaps we could have been able to manage the food inflation in a better manner.

If you have noticed the inflationary pressure, particularly in the food items, this year we have noticed two trends — in the first half of the year, there was inflationary pressure on the cereals, pulses, sugar and edible oil and in the second half of the year when inflationary pressure on these areas was moderating, inflationary pressure on fruits, vegetables, egg, poultry products, meat, milk started shooting up. Onion is a classic case. It reached as high as it could be and thereafter it crashed. A decision which was taken in the middle of December to put a ban on the export of onion had to be reversed because of the pressure of the farmers that onion was getting rotted unless you allow export, and now the prices have stabilized. What were the basic reasons? The basic reasons are that we have not been able to provide necessary market mechanism and the linkage from the farm to the market, particularly the regulated market, where the access has also been made limited and the huge difference between the wholesale price and the retail price, not to speak of the farm gate price and the kitchen price. And, that is why I have devoted several paragraphs in my Budget speech for the medium term that we shall have to address the issue by augmenting the supply and removing the supply bottlenecks.

So far the augmentation is concerned, last year, when I announced that sixty thousand pulse villages, a special package programme, many of my colleagues thought that it was a pious wish which may not have immediate impact, but it had its immediate impact. This year alone the production of pulses has increased nearly to 2 million tons. But still there is a gap, and with a growing population of India's size, sky is almost the limit of our production as far as food production is concerned because we can consume everything whatever we produce. It is not 230 million tons of grains or fruits and vegetables or milk or egg, we shall have to produce much more to feed the requirement of our growing population. Yes there are difficulties. I have listened to the observations of eminent agricultural economist, Prof. Swaminathan. He is correct that second Green Revolution would not be successful unless there is a structural change and approach and unless we take some major steps in this area, and one of the major steps is the involvement of the farmers. It is the farmers who brought the first Green Revolution. How it could be done; what mechanism could be taken up, surely, my colleague in the Ministry of Agriculture and other concerned areas shall have to work on it. Irrigation, watershed management, nutrient-based fertilizer supply and all the related issues are to ensure. Nearly 40 per cent of our fruits, vegetables are being wasted. There is no doubt about it. We have not yet been able to provide the necessary storing facilities, warehousing facilities. But the steps which we have taken this year are, nearly substantial number of warehouses have been created, substantial quantum of

capacity of warehousing has been established and much more will be done because of the fiscal incentives which we have provided by providing them with the infrastructure status, providing them priority sector lending facilities and also helping them from the Finance Ministry's viability gap funding mechanism.

Through these mechanisms, it would be possible to ensure this in short term. Still there is deficiency of edible oil; 50 per cent of it we have to import. There are some reservations over oil palm cultivation, because in the past some experiments did not succeed, and there are some reasons about its adverse impact on water level. If we did not succeed two or three decades ago, perhaps with the application of new technology, which has emerged now, we can do it.

We have taken care of small items also. I have created special incentives for fodder. I have put a ban on the export of de-oiled cake in order to ensure that adequate cattle feed is made available, because the record level which we reached — and I must appreciate the contribution of the NDA Government because it was when we were the highest producer of liquid milk in the world — has to be maintained. Therefore, all these exercises are being taken to manage the food inflation.

Simply expressing concern is not adequate. In my Budget speech, in my Budget proposals, I have elaborated on these areas. I would not like to give details of these issues because the hon. Members are fully aware of it.

When I say that inflation is not merely confined to our country, it does not mean that I would like to use that exercise to say that I cannot manage inflation because in other countries inflationary pressure is there. But, at the same time, we shall have to keep in mind that it is not possible to insulate your economy if there is a global inflationary pressure on commodities. I would like to quote CPI figures of a couple of countries.

China is known for one of the lowest inflationary regime. In January 2010, it was 1.5 per cent; and in January 2011, it was 4.9 per cent. In terms of food inflation, in January 2010, it was 3.2 per cent; and in January 2011, it was as high as 11.7 per cent. In case of Brazil, it was 4.6 per cent and 6.0 per cent; and 3.3 per cent and 9.2 per cent respectively. Today, according to February figures, which have been released today, food inflation has come down from 11.5 per cent. There has been some decline, but it is not complete. It is 10.33 per cent. The overall WPI is 8.32 per cent. I hope that it would be possible at the end of March perhaps that we would be able to reach the figure of 7 per cent.

In this connection, I would also like to respond to the criticism, which has been made, that we are showing some meagre figures in regard to subsidies towards oil sector, particularly

petrol, diesel, kerosene and LPG. It is true that I have not provided astronomical figures in the Budget. One may ask, "Why?" First of all, I am not as confident as many hon. Members may feel about volatility of oil prices in the international market, because the day we assumed office on 23rd May 2004 I myself had seen oil prices started moving upwards. From 36 dollars per barrel, it went to 40, 45, 46 dollars per barrel and went on and on. At some point of time, we wondered where it would stabilise. Somehow, it stabilised around 70-75 dollars per barrel. Then, when the international crisis was felt, its adverse impact was felt on the economy all over the country. Then, it started moving upwards very steeply. On June 20, 2008, it reached as high as 127 dollars per barrel. In August 2008, it was as high as 147 dollars per barrel. But, oil is always slippery and in January 2009, suddenly, it came down to 60 dollars per barrel. The short point which I am trying to drive at is its uncertainty and its lack of predictability. And, no Budget can be made on highly unpredictable situation like this. Therefore, we shall have to wait; we shall have to learn. We have introduced some reforms taking the risk of being unpopular. It is not very popular. But, at the same time, we shall have to keep in mind that even in our neighbouring countries, their *per capita* income is not much higher than ours. But, when we are providing a subsidy of Rs.17 per litre to kerosene oil and a subsidy of almost Rs.232 to 14-kg LPG cylinder, look at our neighbouring countries. Actual prices are there. But, somehow or the other, it has been put in the system. I am not going to alter it overnight. It will take time, but, the uncertainty is there and Budget making assumes that there would be normalcy, not that there will be a Tsunami and not that there will be a major earthquake which will completely upset us. As and when it will happen, we shall have to deal with that.

Sir, another important issue which has drawn the attention of the hon. Members is as to how we are going to handle black-money. I have discussed this issue in detail on earlier occasions also. First of all, how the black-money is being generated? What is the quantum of black-money which is being talked of? Frankly speaking, I do not have any affirmative conclusion about the quantum of black-money. I have some document as many of you have. I have the document which was given as the interim recommendations of the BJP Task Force. But, they also depended on certain assumptions. That is why, the range is very high — from 500 billion US dollars to 1400 billion US dollars. Assumption is very high. Another figure has been quoted. As the BJP Task Force has quoted 500 billion to 1400 billion US dollars, similarly, a current study by Global Financial Integrity has estimated the present value of illicit money outflow to be 462 billion US dollars and that is over a period of 60 years, from 1948 to 2008. All these

estimates are based on various unverifiable assumptions and approximations. Therefore, we have decided to appoint a committee which is trying and it will take the help of experts. With them, it will try to make an attempt on what is the quantum of black-money and, if it is existing, to what extent it is there, etc.

Now, the question is: What steps have you taken? Expressing concerns or pointing accusing fingers at anybody is not going to bring one rupee back or unearth one rupee. We are living in a system where the most important thing is the systematic improvement. Please remember this. Before the international financial crisis and more precisely before the September, 2009 Pittsburgh Summit where our Prime Minister had played a very major role in this area, you check from any country that in the legal instrument of Double Taxation Avoidance Agreement whether there was a clause to share information relating to banking transactions. We have signed as many as 79 Double Taxation Avoidance Agreements. We have signed it with 79 countries. During my period I did some and every other Finance Minister did some. Today, it is 79. In addition to that, we have done 13 more. I will come to that a little later. None of these Double Taxation Avoidance Agreements had a clause because our counterpart did not agree to share the information related to banking. This international approach was changed in the Pittsburgh Summit of G-20 leaders where our Prime Minister played a very major role in bringing out the communique having agreed to an acceptable formula that all countries will have to comply with the formula of providing the necessary information relating to banking transactions. Thereafter, there has been some progress. We have been able to amend the international Double Taxation Avoidance Agreement with as many as 23 countries. Some of them have put it into operation and some of them which have signed the Agreement are yet to complete certain legal formalities. Take, for instance, Switzerland. It is a very important country. An Agreement was signed in August 2010. But it has to be ratified as per its constitutional norms and that ratification process has not yet taken place. If it takes place from 1st April, 2011, we will be able to get the necessary information from the Swiss authorities. Despite our desire and will, all countries, let us say, Switzerland, said that they would give information post-Agreement and not pre-Agreement. Therefore, the information will be available from 1st of April. Naturally, the other conditions like that you can't fish out are there. You will have to give concrete evidence and concrete information on the basis of which they will give it. They have agreed to that. With 10 countries we have entered into the Tax Information Exchange Agreement. Somebody has asked: Why didn't you enter into the Double Taxation Avoidance Agreement? What is this? It is not insignificant. Countries like Bermuda, Isle of Mann, Caymans Island, St. Kitts, etc, are having

sovereign jurisdiction. These are not sovereign countries. They have sovereign jurisdiction from the banking point of view. But there is no big industry; there is no big economic activity. People use the banking services there because of the banking laws that they are following. Earlier they were never sharing any information with anybody because their whole system, whole structure depended on that and many powerful countries have created tax havens outside or on the fringe of their periphery. But now they have been compelled. With 10 such countries we have entered into the Tax Information Exchange Agreement. That has provided the necessary ground on which we can take our money back.

Now how is this black money being generated and how is it going out? It is through the transfer pricing mechanism. This instrument in our tax system was weak. We did not have the expertise in our tax structures. Therefore, as soon as we got the opportunity, we trained our people, we built up our capacity. And what has been the product? Our transfer pricing mechanism in our tax system has been able to detect mispricing of Rs. 33, 784 crores. In other words, this Rs. 33, 784 crores could not go outside. They have been detected and we are getting tax out of that. Our Foreign Taxation Wing and the Directorate of International Taxation have also got, by making assessment, Rs. 34,601 crores. All this has happened after the Summit of Pittsburgh, after the cooperation being extended by other countries to release the information regarding banking transactions or their bank clients. And by stepping up the domestic searches and seizures in the last 18 months, we have been able to get Rs. 25,000 crores. In other words, a little less than Rs. 100,000 crores, we have been able to bring within the tax net in 18 months. You may say that it is quite inadequate. I agree that it should have been much more. But surely, you can't say it is nothing. Any astronomical figure could be quoted, but we have to proceed within the legal system, within the legal framework. We cannot simply go by our own emotions or sentiments. Millions upon millions; billions upon billions could be quoted, but it must be proved and that proof is to be accepted by the court of the country, the law of the country. There is a rule of law; nobody can go beyond that rule of law. Therefore, it is not correct to say that the Government is indifferent or the Government is not doing anything. I would also like to suggest that this is an area where there is no divergence of views. If anybody wants to put any concrete suggestion, that can be taken into account; and while formulating our policy, we can consider that and we would like to have it.

Now one more issue which was raised by my good friend, Shri N.K. Singh, while making his observations, and it is being talked of, is the Special Category Status for Bihar. ...*(Interruptions)*... I am speaking. Please allow me to speak. After that you can seek

4.00 P.M.

clarifications and I will respond to that. That is why, I thought that I would elaborate on it as to what has been done and what has not been done. First of all, I would like to say that currently there are 11 Special Category States. These are: Arunachal Pradesh, Assam, Himachal Pradesh, Jammu and Kashmir, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim, Tripura and Uttaranchal. Now when the question of Bihar, Rajasthan and some other States to be treated as Special Category States comes, the decision can be taken not by the Finance Minister, not even by the Prime Minister; the decision can be taken only by the National Development Council. There has been no consensus in the National Development Council. The National Development Council consists of State Chief Ministers, Union Cabinet Ministers and is presided over by the Prime Minister.

There has to be a consensus. The note that we have received from the Planning Commission — because this issue is going to be debated hotly in this House and the other — says that, besides Bihar, Orissa and Rajasthan had earlier demanded special category status.

In the case of Orissa, a view was taken by the Ministry of Planning in 2002 — not by me — that in spite of efforts of the Planning Commission ever since 1997, a consensus could not be established among the States for a revision of the Gadgil-Mukherjee formula which defined which State could be considered as a special category State. Money is involved here. The ratio of the distribution of Central resources is 9:7, 9 for Special Category States and 7 for Non-Special Category States. Therefore, each and every State is involved and unless this formula of distribution of resources is agreed upon, it will not be possible to do it. The last revision took place in 1992 and, at that point of time, the NDC had approved this formula and, unless the National Development Council approves this formula, it is not possible to extend this facility to any State. Surely, the Prime Minister has received umpteen number of representations and, if it is thought necessary, we can once again try in the NDC to arrive at a consensus.

But a Special Package for Bihar is being followed from the Tenth Plan itself. Initially, annually, a package of Rs.1000 crores of rupees was decided. Now it has been decided to enhance it to Rs.2000 crores for 2010-11 and, then, to Rs.1470 crores for 2011-12. The Planning Commission is administering the Special Plan for Bihar and funds are being released on 100 per cent grant basis. The total cost of all these projects in these respects aggregates to Rs.8753.01 crores over a period of time and, in some of these projects, progress has been quite substantial and, in some others, the progress is still slow. We shall have to expedite those which have been

progressing slowly. For instance, in development of State Highways, a good job has been done. From 2008-09 upto 25.02.2011, the allocation for development of State Highways was Rs.3075 crores, out of which Rs.2827 crores have already been released and good work has been done. For rail-cum-road bridges, Rs.550 crores against Rs.465 crores have been released. For strengthening of Sub Transmission System, against the projection of Rs.482 crores, Rs.552 crores have been released. All these figures relate upto 25th February, 2011. For renovation and modernization of the Barauni and Muzaffarpur Thermal Power Stations, the progress has been very slow. Out of the projection of Rs. 1053 crores, only Rs.440 crores have been released. The rest of the matters are to be looked into.

So, in aggregate, out of Rs.8753 crores, Rs.6962.18 crores have been released on the various projects. Therefore, a special package has already been in progress. So far as the granting of special category status is concerned, it is not within the domain of either the Ministry of Finance or...

SHRI BAISHNAB PARIDA (Orissa): What about Orissa, Sir?

MR. DEPUTY CHAIRMAN: Please sit down. You can ask later.

SHRI PRANAB MUKHERJEE: There is one point which has been raised about employment generation. Sir, it is true that employment generation is one of the most important programmes of the UPA Government and that is absolutely required. And it is a fact that since the liberalised economic policies we adopted, the employment generation in the organized public sector has come down. But, that has also been compensated substantially in other areas. I have some figures. From March 31, 2000 to March 31, 2004, the total employment generation came down from 2.8 crores—which includes both public and private sector—to 2.64 crores. That means, a shortfall of 16 lakhs between March 31, 2000 and March 31, 2004. From March 31, 2005 to March 31, 2008, these are the latest figure available, the figures went up from 2.64 crores to 2.75 crores. You may say that it is quite inadequate. I may agree. But, you cannot say that it has further decreased. This is the first point which I am trying to say—from 2.8 crores, it came down to 2.64 crores. From 2.64 crores, it has gone upto 2.75 crores. And, employment does not necessarily mean the creation of jobs for *babus* or clerks. Employment is required in other sections of the society as well.

So far as the National Rural Employment Guarantee Scheme is concerned, we have provided employment to 15.26 crore households since the inception of this scheme. Therefore,

when you say that if the rural jobless young men and women getting jobs should not be taken into as far as employment calculation is concerned, I do not subscribe to that view.

Even as far as the labour group is concerned, which has been referred to, based on the quarterly quick survey of the last four quarters—the four quarters cover September, 2009 to September, 2010—the overall employment has increased by 12,96,000, mostly in IT, BPO sector, followed by textiles, metal, automobiles, gems and jewelry. If somebody comes to the conclusion and says that our growth is a jobless growth, Mr. Deputy Chairman, Sir, I am afraid, I cannot subscribe to that view. Therefore, in the given situation—I do not say it is an ideal situation and it cannot be ideal—our requirement is much more; the aspirations of our people are much more. We are nowhere near fulfilling the aspirations of the people a hundred per cent. I have never claimed that. My modest attempt is to address the issues like unemployment, to address the issues of generation of black money and how to prevent it and how to bring the tax of defaulters or evaders back. Even in the last G-20 meeting of the Finance Ministers at Paris, we had argued, “Please do not make a distinction between tax fraud and tax evasion; in India we do not have that; you make a distinction in many other countries in the tax laws saying that there is a definition of tax fraud and there is tax evasion.” We requested them when the information was given to treat tax evasion as tax fraud. We requested them not to expect us to amend our laws and then give us the information. We said that amending our laws is not possible. There are problems, every country has its own problems. And, at the G-20 leaders at the Summit, from Pittsburgh Summit to Seoul Summit, clear directions are given and India’s participation there has been well recognized. Out of 184 countries, we are the 34th member of FATA, which is the highest body to deal with unaccounted money, tailor funding and illicit money generation through drug trafficking and arms smuggling.

India is a member of the EURASIAN Group, which is the counterpart of European FATA. India is the Vice-Chairman of that Group which is monitoring it. It is in recognition of our efforts to unearth black-money, to prevent the terrorist funding, to prevent generation of money through drug trafficking and arms smuggling. So, efforts are being made. Yes, there will always be a gap, and it will be our effort to bridge the gap as fast as we can.

Mr. Deputy Chairman, Sir, I think, I have tried to cover most of the points which the hon. Members referred to, particularly the major points. But I would like to make some small announcements which I have also done in the other House. Everybody knows it, but still it is customary; otherwise, somebody will bring a privilege motion against me that I am discriminating against this House. Particularly this House, which has brought me up over long years, I cannot forget this House. The MPLADS Fund has been increased from Rs.2 crores to Rs.5 crores. But,

as I mentioned there, in the other House, so far as the election-going States are concerned, Members belonging to both Houses of those States cannot make any recommendation or commitment even out of this additional Rs.5 crores till the election process is over. That is the condition which the Election Commission has given, and I don't think there is any problem for that.

SHRI SITARAM YECHURY: Is it with retrospective effect or prospective effect?

SHRI PRANAB MUKHERJEE: You will get it from 1st April, 2011.

SHRI SITARAM YECHURY: I am talking about the increase from Rs. 2 crores to Rs. 5 crores.

SHRI PRANAB MUKHERJEE: The increase from Rs.2 crores to Rs.5 crores, you will get it from 1st April, 2011. Do not expect that I will. ...*(Interruptions)* Just one minute, Sir. Because this is a technical area, that is why I shall have to read it. Sir, I have announced about the increase in the MPLADS Funds. There have been a large number of observations on health and education sectors. Though we have increased the budgetary allocations substantially, I do agree that still it is less than what should be done because we committed long ago that we shall spend six per cent of our GDP on education. We are inching towards it, but we have not yet reached that. Therefore, budgetary allocations have been increased substantially, I think, around 24 per cent in education sector, the Education Minister may subscribe; and in the health sector also, we have done it. But, in addition to that, investment in education and health sectors has got a high priority in our policy framework. There is a need to further accelerate the creation of infrastructure in these domains. I am happy to announce that henceforth, capital stock in educational institutions and hospitals will be treated as infrastructure sub-sectors. Accordingly, capital investments for these sub-sectors will be eligible for the Viability Gap Funding Scheme of the Ministry of Finance. Detailed guidelines in this regard will be announced shortly by the administrative Ministries. I have announced that a Corpus will be created with Rs.500 crores for the development of women Self-Help Groups. The proposed Fund will operate through NABARD and will be exclusively utilized for providing refinance on loans given to the women Self-Help Groups on soft term.

There has been a demand that the soft term loan should be given to women self-help groups. For the fish farmers and fishermen representations have been made. The UPA Government is sensitive to the problems being faced by the fishermen and to meet their credit needs. I am happy to announce the extension of the existing interest subvention scheme of

providing short-term loans to farmers at 7 per cent interest, with additional interest subvention for timely repayment, to fish farmers and fishermen. This should benefit over 20 lakh fish farmers and fishermen engaged in fishing operation in the country. Details of this scheme would be worked out. In other words, as the agricultural farmers who are getting it at interest rate of 7 per cent but by timely payment they actually have to pay 4 per cent, this benefit is extended to the fishermen and fish farmers. Another important issue on which doctors and others are agitated, but as the hon. Members are fully aware that can be announced or decided only at the time of the moving of the Finance Bill. Therefore, I would request to those who are agitating to wait till the Finance Bill is approved by Parliament. Thank you, Mr. Deputy Chairman, Sir, for giving me this opportunity. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: What is left after such a detailed reply? ...*(Interruptions)*... Yes, Sitaram Yechury. ...*(Interruptions)*.. Yes, one by one. ...*(Interruptions)*... I identified Mr. Yechury. ...*(Interruptions)*...

SHRI SITARAM YECHURY: Sir, I just wanted to know one thing from the hon. Finance Minister. I thank him for his detailed reply on many of the issues that were raised by us. But, Mr. Finance Minister: Is it not time for you to reconsider your ad valorem taxation structure on petroleum products? You have an ad valorem taxation structure on the import of petroleum products. As the international price rises, your income also rises. Instead of your income rising, I am not saying you reduce your income from what your budgetary calculations are, but what you get over and above that, if that can be re-ploughed back into the petroleum sector, the burden on the people which constantly rises with the rise in the prices of petroleum productions can be avoided. So, will you consider the *ad valorem* tax structure in the petroleum products? ...*(Interruptions)*...

SHRI D. RAJA (Tamil Nadu): Sir, the Finance Minister gave an elaborate and educative reply. But my question is with regard to the disinvestment of the public sector undertakings. The Government has made it clear that the programme of disinvestment of public sector will continue. When the UPA-1 Government was in power, there was a talk about affirmative action including reservation in private sector for SCs and STs. Now, UPA-II Government pursues a policy of public private participation. Can you consider affirmative action in favour of SCs and STs, particularly for reservation in PPP model industries in the private sector? This is a policy but it relates to financial and economic policies pursued by the Government. That is why I am asking a very pointed pertinent question. What happens to the Scheduled Castes and the Scheduled Tribes if privatization continues like this? ...*(Interruptions)*...

SHRI RAVI SHANKAR PRASAD (Bihar): Sir, I thank the Finance Minister for the long reply he has given. ...*(Interruptions)*..

MR. DEPUTY CHAIRMAN: Do you want to reopen the entire debate? ...*(Interruptions)*.. All of you are putting questions. ...*(Interruptions)*.. It is not possible to accommodate all of you at this stage.

SHRI RAVI SHANKAR PRASAD: Sir, you may recall in my speech I had asked a very specific query. In his Budget Speech he has mentioned that because of the Money Laundering Act they had instituted 1200 criminal cases. The specific query I had asked was, against how many companies these cases have been launched, against how many individual cases have been launched and I had asked their names. Has your Government informed or not the respective foreign banks which are involved in these prosecutions?

SHRI TAPAN KUMAR SEN (West Bengal): Sir, I have one general question and one specific question. Sir, my first question is, no doubt employment has grown but still our unemployment ratio is 9.4 per cent despite having an eight per cent plus GDP growth and incidentally this figure is the same as is the unemployment rate in USA having a much lower GDP growth. How do you propose to address this situation? My second specific question is this: The agricultural credit was increased this time in the Budget by about Rs. one lakh crores. But the composition of the agricultural credit is such that the loans above two lakh which constitute 55.7 per cent of the total agricultural credit, as per the figures given by the Reserve Bank, meaning thereby that a big chunk of agricultural credit, is not going to the area where it is most needed, *i.e.* the poor, small and medium farmers who constitute 70 per cent of the agricultural population, and who also produce a major part of our foodgrains. So, I think, the interest subvention is meant for enhancing agricultural productivity and addressing supply side bottlenecks. How are you going to correct these distortions?

DR. ASHOK S. GANGULY (Nominated): Mr. Deputy Chairman, Sir, through you, I had raised an issue of having some red lights and amber lights which face this nation, which the hon. Finance Minister has referred to. In case of uncertainties, such as the crude price rise, the impact of the world economy on the Japanese earthquake and thirdly, the dependence of monsoon based on this, I am sure there are fallback options which the hon. Finance Minister has in mind. I would like to know whether he is going to broadly share with the House what some of these fallback options are. I shall be grateful to him if he replies to this.

MS. MABEL REBELLO (Jharkhand): Sir, Shri N. K. Singh has asked for a special package for Bihar. Jharkhand was carved out of Bihar and Jharkhand is a State where 75 per cent of poor live. Out of 24 districts, 22 districts are Naxal-affected districts...

MR. DEPUTY CHAIRMAN: Don't go into details. Just seek clarifications.

MS. MABEL REBELLO: My request is, if you don't give a 'special status' to Jharkhand, at least 'special financial package' should be given to Jharkhand to improve the physical infrastructure of Jharkhand, not only of roads but also electricity generation and distribution and to also improve the irrigation potential of Jharkhand. ...*(Interruptions)*...

SHRI JESUDASU SEELAM (Andhra Pradesh): Sir, the importance of equity was stressed by many Members along with growth. In the Finance Minister's speech we were expecting the emphasis on equity along with growth. Sir, what is the provision being made for encouraging institutional finance for the educated and unemployed meritorious youth belonging to SCs and STs from the banks? At least, it should have been on a par with the minorities at least 15 per cent for the priority sector because the origins are in the Twenty-Point Programme and Mr. Pranab Mukherjee is the link between Indiraji, who introduced the 'Twenty-Point Programme', and the present regime. We want a categorical assurance on that.

SHRI N.K. SINGH (Bihar): Sir, very briefly, will the hon. Finance Minister consider, somewhat, a higher level of allocation for Green Revolution in the East India for which the allocation so far is modest and that in respect of the Special Category Status, while we will follow the leads which he has kindly suggested, the package for Bihar remain grossly inadequate when compared to the repeated requests and memorandum submitted by Government of Bihar? And, would he consider, therefore, reconsideration of that?

Finally, would he consider a calibration of the fiscal regime for the oil sector as part of the Integrated Energy Policy approved by the Cabinet? Thank you. ...*(Interruptions)*...

SHRI K.B. SHANAPPA (Karnataka): Sir, on raw silk, 30 per cent reduction of customs duty has been proposed by the hon. Finance Minister. Now, because of import, about 6.48 million farmers from our Karnataka, Tamil Nadu, Kerala and Andhra Pradesh would suffer. Therefore, I request the hon. Minister to maintain the *status quo*. Thank you.

श्री उपसभापति: यह नहीं होगा ...*(व्यवधान)*... यह नहीं होगा ...*(व्यवधान)*... Hon. Finance Minister. How long can we go on? ...*(Interruptions)*... How long you can go on? ...*(Interruptions)*...

SHRI PRANAB MUKHERJEE: First of all, I would like to clarify one point. Sir, many hon. Members are raising questions which are related to taxation. Please reserve your questions, clarifications and comments for the Finance Bill. It is because I cannot make any comment...

MR. DEPUTY CHAIRMAN: I will allow you when we take up the Finance Bill ...*(Interruptions)*...

SHRI PRANAB MUKHERJEE: ...on the Finance Bill. This is one aspect ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: This is only a general discussion on the Budget ...*(Interruptions)*...You are raising again a general debate...*(Interruptions)*...I will allow you at the time of Finance Bill...*(Interruptions)*...

SHRI PRANAB MUKHERJEE: Sir, I request them to reserve the same for the Finance Bill...*(Interruptions)*...

श्री अली अनवर अंसारी (बिहार): 4% रेट ऑफ इंटररेस्ट को आप कम नहीं कर रहे हैं ...*(व्यवधान)*...

श्री उपसभापति: जब फाइनेंस बिल पर डिस्कशन होगा ...*(व्यवधान)*...

श्री प्रणव मुखर्जी: अभी बजट कंप्लीट नहीं हुआ है ...*(व्यवधान)*... I will reply when we discuss the Finance Bill. ...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: You can speak on the Finance Bill...*(Interruptions)*...

श्री अली अनवर अंसारी: प्रधान मंत्री जी ने कई बार घोषणा की है ...*(व्यवधान)*... प्रधान मंत्री की घोषणा के बावजूद भी आप नहीं दे रहे हैं ...*(व्यवधान)*... क्यों आप नहीं दे रहे हैं ...*(व्यवधान)*...

SHRI PRANAB MUKHERJEE: Sir, a couple of questions has been raised. Many other hon. Members wanted to know clarification on some points....*(Interruptions)*...

MR. DEPUTY CHAIRMAN: He said that they would be taken up at the time of Finance Bill. ...*(Interruptions)*...

SHRI PRANAB MUKHERJEE: I do not know...*(Interruptions)*...I am on my legs ...*(Interruptions)*...Some hon. Members are also on their legs...*(Interruptions)*...

MR. DEPUTY CHAIRMAN: He mentioned that some important legislation is pending...*(Interruptions)*...

SHRI PRANAB MUKHERJEE: First of all, Sir, please understand that the points relating to the Finance Bill cannot be responded now. Those can be responded only at the time when the Finance Bill is discuss, including your question ...*(Interruptions)*...

श्री साविर अली (बिहार): सर, मुझे एक मिनट बोलने दीजिए ...*(व्यवधान)*...

MR. DEPUTY CHAIRMAN: You can raise it during the discussion on the Finance Bill.
...(Interruptions)... फाइनांस बिल पर जब डिस्कशन होगा तब ...(व्यवधान)...

SHRI PRANAB MUKHERJEE: Sir, the second issue which has been raised is...(Interruptions)...

श्री साविर अली: सर, मुझे सिर्फ एक ही मिनट बोलने दीजिए ...(व्यवधान)...

श्री उपसभापति: अरे भई, फाइनांस बिल के समय बोलना ...(व्यवधान)...

श्री साविर अली: सर, मुझे फाइनांस मिनिस्टर से माइनॉरिटीज के ऊपर एक सवाल पूछना है
...(व्यवधान)...

श्री उपसभापति: आप ही बताइए कि क्या यहां पर माइनॉरिटीज पर डिस्कशन हो रहा है?

श्री साविर अली: सर, मुझे आप एलाऊ कीजिए, मुझे सिर्फ एक ही सवाल पूछना है ...(व्यवधान)... सर, प्लीज एलाऊ कर दीजिए। सर, मुझे यह पूछना है कि आपने पूरे बजट का जिक्र किया। इस देश में 20 करोड़ माइनॉरिटीज रहते हैं, इस देश में 6 लाख करोड़ की प्रॉपर्टी हड़पी गई है, लेकिन आपने सिर्फ 1.6 करोड़ वक्फ़ में दिया है। इस देश की अविलयत ...(व्यवधान)... क्या मैं आपसे उम्मीद कर सकता हूँ कि कम से 500 करोड़ रुपये आप वक्फ़ ...(व्यवधान)...

श्री उपसभापति: जब हम माइनॉरिटी ...(व्यवधान)... We are going to discuss the Working of the Ministry of Minority Affairs. You can discuss it at that time.

SHRI PRANAB MUKHERJEE: Sir, some hon. Members have referred to about the special status of a particular State. I have explained the principle how special status can be given to a State. I cannot say unless the NDC changes the formula, whether it is Jharkhand or Rajasthan or Bihar or any other State. It will have to be considered by the NDC and the Chief Minister of the State has to muster support in the NDC, not we...(Interruptions)...Therefore, this aspect has to be kept in view.

And, with regard to larger allocation for Green Revolution which Mr. N.K. Singh has raised, I say that mentioned it last year, I repeated this year that as and when progress takes place, money will not be a constraint. More additional allocations will be made as per the requirement. This provision is meant to ensure that the programme continues.

The programme ought to be kept up. I know that for six States, belonging to the North-Eastern Region, apart from money, there should be some structural changes, as has been recommended by the hon. Member, Prof. M.S. Swaminathan. But that is not within the purview of the Finance Minister's authority alone. For that, the Government will have to take a holistic view in consultation with others. I will bring the suggestions, made by Prof. Swaminathan, to the notice of the hon. Prime Minister; and, we will take a view on it so that the Green Revolution is made successful because our future depends on that. And, unless we have that, I repeat it,

once I mentioned it on the floor of this House, nobody on the earth can feed 120 crore plus people. That job is to be done by us and by us alone. Therefore, that is most important issue. And, the other issue....(*Interruptions*)

SHRI SITARAM YECHURY: Will that Empowered Group of Ministers be headed by you?

SHRI PRANAB MUKHERJEE: No; no, I don't want that. That can be taken up by a larger group and the Prime Minister will himself take care of it.

Sir, the other issue, which has come, is with regard to PML Act. For instance, here is a statistical figure. I have stated that 1200 cases have been initiated. And, as and when the process is complete, we will arrive at a definitive conclusion. Then, the other....(*Interruptions*) I have given you the exact date. It has only been twelve months that this progress has been made after the amendment of the PML Act. Cases have been re-opened. They are in the progress at various stages. Some are at the semi-final level, some are at the stage of coming to conclusions, some are at preliminary stage. Therefore, that stage has not arrived yet for that penal action has to be taken. Thank you.

GOVERNMENT BILL

The Appropriation Bill, 2011

MR. DEPUTY CHAIRMAN: Now, The question is:

“That the Bill to authorize payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year, 2010-11, as passed by Lok Sabha, be taken into consideration.”

The motion was adopted.

MR. DEPUTY CHAIRMAN: We shall, now, take up clause-by-clause consideration of the Bill:

Clauses 2, 3 and the Schedule were added to the Bill.

Clause 1, the Enacting Formula and the Title were added to the Bill.

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE): Sir, I move:

That the Bill be returned.

The question was put and the motion was adopted.
