

RAJYA SABHA

Tuesday, the 16th May, 2006/26 Vaisakha, 1928 (Saka)

The House met at eleven of the clock,

MR. CHAIRMAN in the Chair.

ORAL ANSWERS TO QUESTIONS

प्रति व्यक्ति ऋण भार

*441. श्री जयप्रकाश अग्रवाल: क्या वित्त मंत्री यह बताने की कृपा करेंगे कि:

(क) आज की स्थिति के अनुसार देश में प्रति व्यक्ति ऋण भार कितना है;

(ख) पिछले तीन वर्षों के दौरान और चालू वित्त वर्ष में अभी तक ऋणों पर ब्याज के रूप में कितनी धनराशि का भुगतान किया गया है; और

(ग) इस राशि को कम करने के लिए सरकार द्वारा क्या कदम उठाए गए हैं अथवा उठाए जाने का विचार है?

वित्त मंत्री (श्री पी० चिदम्बरम): (क) से (ग) एक विवरण सभा-पटल पर प्रस्तुत है।

विवरण

(क) संयुक्त सामान्य सरकार की प्रति व्यक्ति देनदारियों का भार, जिनमें केन्द्र और राज्य सरकार की आन्तरिक एवं बाह्य दोनों किस्म की देनदारियां शामिल हैं, वर्ष 2005-06 (ब० अ०) में 25,723 रुपए था।

(ख) गत तीन वर्षों के दौरान संयुक्त सामान्य सरकार की ब्याज अदायगियों के संबंध में उपलब्ध सूचना नीचे सारणी में दी गई है:

सारणी: संयुक्त सामान्य सरकार की ब्याज अदायगियां (करोड़ रुपये)

2003-04	2004-05(सं० अ०)	2005-06(ब०अ०)
1,77,800	1,89,292	2,09,094

वर्ष 2006-07 (ब० अ०) के संबंध में केन्द्र सरकार की ब्याज अदायगियां 1,39,823 करोड़ रुपए के स्तर पर रखी गई हैं।

(ग) इस ऋण-भार को कम करने के लिए सरकार द्वारा किए गए उपायों में अन्य बातों के साथ-साथ ये भी शामिल हैं: एफआरबीएम अधिनियम, 2003 और उसके तहत केन्द्र में बनाए गए नियमों के उद्देश्यों और लक्ष्यों का अनुपालन; 19 राज्यों द्वारा राजकोषीय उत्तरदायित्व संबंधी कानूनों का अधिनियमन; 19 राज्यों के ऋणों का समेकन और अपेक्षाकृत कम ब्याज-दरों पर ऋण के पुनःनिर्धारण के रूप में राहत देना तथा बारहवें वित्त आयोग के पंचाट के अनुसार राजकोषीय सुधार हेतु ऋण-माफ करना; उचित नीतियों के माध्यम से उदार ब्याज-दर बनाए रखना; कम लागत के बाज़ार-उधारों का सहारा लेकर ऋण की पुनर्संरचना करना जिससे बकाया ऋण की रखाव-लागत में कमी हो; और ऐसी उचित कर-नीतियों का पालन करना जिसके परिणामस्वरूप कर-सकल घरेलू उत्पाद के अनुपात में वृद्धि होती है तथा विवेकपूर्ण व्यय-प्रबन्धन करना जिससे राजकोषीय सुदृढ़ता की प्रक्रिया आगे बढ़ती है।

Per capita burden of loans

†*441. SHRI JAI PARKASH AGGARWAL: Will the Minister of FINANCE be pleased to state:

- (a) what is the per capita burden of loans in the country as on date;
- (b) the amount paid against interest on loans during the last three years and current financial year so far; and
- (c) the steps taken or proposed to be taken by Government to reduce the same?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (c) A statement is placed on the Table of the House.

Statement

(a) The per capita burden of Consolidated General Government liabilities, consisting of the Central and State Governments, of both internal and external variety was Rs. 25,723 in 2005-06 (BE).

† Original notice of the question was received in Hindi.

(b) Available information on interest payments of the Consolidated General Government for the last three years is given in the Table below:

Table: Interest payments of Consolidated General Government (Rs. crore)

2003-04	2004-05 (RE)	2005-06 (BE)
1,77,800	1,89,292	2,09,094

Interest payments of the Central Government for 2006-07 (BE) is placed at Rs. 1,39,823 crore.

(c) The initiatives taken by the Government to reduce the burden, *inter alia*, include: adherence to the objectives and targets of the FRBM Act, 2003 and rules made thereunder at the Centre; enactment of fiscal responsibility legislations by 19 States; consolidation of the debts of the 19 States and relief in the form of rescheduling of debt at lower interest rates and debt waiver for fiscal correction as per the award of the Twelfth Finance Commission; maintaining soft interest rate through appropriate policies; restructuring debt through recourse to low cost market borrowings thereby reducing the carrying cost of outstanding debt; and pursuing appropriate tax policies which result in higher tax-GDP ratio and prudent expenditure management that facilitates the process of fiscal consolidation.

श्री जयप्रकाश अग्रवाल: सभापति महोदय, मैं कोई अर्थशास्त्री नहीं हूँ, मैं एक साधारण आदमी हूँ और उसी निगाह से मैंने इस सवाल को देखा है। मंत्री जी ने जो जवाब दिया है, उसके अनुसार प्रति व्यक्ति 25 हजार रुपए लोन एक हिन्दुस्तानी के ऊपर है। जो बOROइंग हम करते हैं, वह प्लान, नॉन प्लान, इन्फ्रास्ट्रक्चर और मैनुफैक्चरिंग के लिए होता है और बहुत सारे प्रोजैक्ट्स ऐसे हैं, जिनके लिए पैसा लिया गया लेकिन वे प्रोजैक्ट्स अभी भी कम्पलीट नहीं हुए और उनका इंटेरेस्ट हमें देना पड़ता है। तकरीबन 20 बिलियन रुपए इंटेरेस्ट के तौर पर सालाना देना पड़ता है, which is about four per cent of the GDP and 40 per cent of the revenue received जो फिसकल डेफिसिट है, वह बराबर बढ़ता जा रहा है और आपने उसे कंट्रोल करने के लिए एफआरबीएम एक्ट, 2003 बनाया, जिसमें कहा गया कि fiscal deficit should be 0.3 per cent या इससे कम होना चाहिए और revenue deficit should be 0.5 per cent या इससे कम होना चाहिए। जो नॉन-प्लान एक्सपेंडीचर है, वह 40 बिलियन रुपए से कम होना चाहिए।

श्री सभापति: क्वेश्चन पर आइए। Put your question.

श्री जय प्रकाश अग्रवाल: सर, थोड़ा-सा बैकग्राउंड देना चाहता था। ... (व्यवधान)...

श्री सभापति: बैकग्राउंड उनको भी मालूम है, आपको भी मालूम है, क्वेश्चन के जवाब में भी है।

SHRI JAI PARKASH AGGARWAL: Non-Plan Expenditure is about 40 billion rupees. मंत्री जी, मेरा सवाल आपसे सीधा है कि इस ऋण को कम करने के लिए जो कदम आप उठाएंगे, उसका हमारी अर्थव्यवस्था पर क्या प्रभाव पड़ेगा? क्या उससे हमारे प्रोजैक्ट्स कम्पलीट नहीं होंगे या जो डेवलपमेंट होना चाहिए, क्या उसमें कमी आएगी या किस तरह से यह अर्थव्यवस्था सही होगी?

SHRI P. CHIDAMBARAM: Sir, I may say with great respect to the hon. Member that borrowing as such is not such a bad thing as you made out. Countries borrow, Governments borrow, corporations borrow, and individuals borrow. What is important is. One, our capacity to use the borrowed money effectively and wisely. Two, our capacity to service the debt. India is not among the most indebted nations of the world. In fact, India's ranking has improved; we are not among the most indebted nations of the world. But, as a Government, over the last 15 years, we have agreed to follow a path of fiscal correction, and our goals have been set very clearly. By 2008-09, the fiscal deficit must be brought down to 3 per cent, and the revenue deficit must be wiped out. That is the goal, which every Government has accepted in the last 6-7 years, and we are marching towards that goal. As of now, I believe, we are on track. If as Parliament we continue to exercise supervision over Government, which, in turn, is bound to observe fiscal prudence, we will reach that goal.

As far as the State Governments are concerned, they are doing well. In fact, we must compliment the State Governments for doing well. Sir, the revenue deficit and the fiscal deficit of the State Governments combined touched a peak of 2.78 per cent and 4.72 per cent respectively in 1999-2000. In 2005-06, according to Budget Estimates, they are expected to decline to revenue deficit of only 0.7 per cent and fiscal deficit of only 3.07 per cent. The State Governments also follow the path of fiscal correction. I think the debt burden of the country is sustainable. We have the capacity to service this debt. And I think our economy will continue to grow at a rapid pace.

[16 May, 2006]

RAJYA SABHA

श्री जय प्रकाश अग्रवाल: सर, मेरा सेकेंड सप्लीमेंटरी यह है कि जब हम कोई बैलेंस शीट देखते हैं, तो यह देखते हैं कि उधार कितना है और वह कितनी जल्दी पूरा होगा? मैं मंत्री जी से यह जानना चाहता हूँ कि what is the alarming cut-off point when we should stop borrowing.

SHRI P. CHIDAMBARAM: There is no cause for alarm. We are nowhere near any alarming cut-off point as far as borrowing is concerned.

SHRI ARJUN KUMAR SENGUPTA: Mr. Chairman, Sir, the answer that has been given is quite clear with respect to the broad question. But we are interested in some sub-sectors. Would the Finance Minister be able to tell us how much of this debt burden is owned by the small and marginal farmers of this country? And if he takes a decision at one point of time to waive the loans of all these small and marginal farmers, what will be the repercussions on the Budget?

SHRI P. CHIDAMBARAM: Sir, I always defer to Dr. Arjun Sengupta. This is about Government borrowing. There should be a separate question on farmers' loans. I shall be very happy to answer then.

SHRI C. RAMACHANDRAIAH: Sir, the per capita burden on Consolidated General Central liabilities, consisting of both the Central and State Governments, has been given at Rs. 25,723. It is a Budget Estimate. But has any assessment been made about the per capita asset and the asset-liability ratio? What is the present ratio? Whether it is increasing or decreasing.

SHRI P. CHIDAMBARAM: Sir, I can't give any answer on the per capita asset of an Indian. That's what you are asking. I have no answer to the per capita asset of an Indian. For the first time, in this year's Budget papers, we have tried to present a partially complete value of the assets of the Central Government. I have no information about the per capita asset of an Indian.

SHRI C. RAMACHANDRAIAH: But have any efforts been made to assess it? When an assessment regarding liability can be made, why not for assets?

SHRI P. CHIDAMBARAM: Sir, liability is simply obtained by dividing the total debt by population. It's very simple.

SHRI MOINUL HASSAN: Sir, through you, I would like to ask the Finance Minister that he has provided a figure which is combined figure of the Central Government and the Governments of States. I would like to know from the hon. Minister; Is it possible to provide a separate figure of the debt burden, Government of India and State Government-wise?

SHRI P. CHIDAMBARAM: Sir, it is possible. It is a longish answer. I will send the particulars to you. It is possible to give separately for the Government of India and each State Government.

SHRI YASHWANT SINHA: Thank you, Sir. We are happy to hear that the debt burden is not out of control and sustainable. The Finance Minister, Sir, has recently gone on record to justify the two-rupee per kilo rice programme in Tamil Nadu. In view of the sustainability of the debt profile, would the Finance Minister extend this scheme throughout the country?

SHRI P. CHIDAMBARAM: Sir, this does not arise. Neither does it arise out of this question nor does it arise out of the business of the Government of India. The DMK manifesto made this promise to the people of Tamil Nadu and I would urge the hon. Member to put this question to the Chief Minister of Tamil Nadu as to how he will implement it.

SHRI YASHWANT SINHA: No, Sir, he justified it. He said it is sustainable. It is a very relevant question. How can he get out of it? Sir, he has gone on record to justify it. If he had not spoken, I would have asked the Chief Minister of Tamil Nadu. ...*(Interruptions)*...

SHRIMATI BRINDA KARAT: Sir, it is a very relevant question. ...*(Interruptions)*...

DR. MURLI MANOHAR JOSHI: Sir, he is a partner in the Tamil Nadu Government.

MR. CHAIRMAN: Their question is: Are you a party to this sort of theory? ...*(Interruptions)*...

SHRI P. CHIDAMBARAM: Sir, this does not arise out of this question. But if you direct me, I will try to answer.

श्री सभापति: बताइए।

SHRI P. CHIDAMBARAM: Sir, the point is this. I said, there is a promise made by a political party in its election manifesto. I was asked the question: Is it feasible in Tamil Nadu? I said, in my view, having regard to the

resources of the Tamil Nadu Government and its capacity to raise additional resources and having regard to the felt needs of the people of Tamil Nadu, it is possible to implement it, it is feasible to implement it, in Tamil Nadu. ...(*Interruptions*)...

SHRIMATI BRINDA KARAT: Sir, my question is that the country looks to Mr. P. Chidambaram not only as an M.P. elected from Tamil Nadu, but also as the Finance Minister. So, the words of Mr. Chidambaram have carried a great deal of weight, which is, of course, a very good thing. However, when he speaks a particular language in Tamil Nadu, and when he is linking the Central Government finances to the FRBM, my question is: Why is it not possible for the Central Government to implement the assurances given by the Finance Minister to the people of Tamil Nadu? That is the question. I would also like to know whether this money would be given. Since the Finance Minister is not at all concerned about borrowing, not at all concerned about debt, why not get money for rice at 2 rupees a kilo for the poor?

SHRI P. CHIDAMBARAM: Sir, I am glad that my learned friend thinks that my words carry weight. Sir, I am concerned about borrowings. This question is about the sustainability of India's debt, and my answer is, we are at a sustainable level. What did I say in Tamil Nadu? I said, and I repeat, having regard to the finances of the Tamil Nadu and the felt needs of the Tamil people, it is feasible to implement the promise. I gave no assurance that I will implement the promise. I said, it is feasible for the Government of the State to implement the promise. It was for the State Government to decide what is required by their people. Our priorities are different....(*Interruptions*)...

श्री नारायण सिंह केसरी: वे उनको देंगे ही नहीं।...(*व्यवधान*)...

SHRI P. CHIDAMBARAM: Just a moment please. What is the point in interrupting me? Our priorities are spelt out in the Budget speech, in the President's Address, and in various pronouncements of the Prime Minister. Our priorities are the NREGP Act, the Sarva Shiksha Abhiyan, the mid-day meal scheme, the rural electrification programme, drinking water programme and rural health mission. These are our priorities for which we allocate money. The State Governments have different priorities, and each State Government is, therefore, entitled to decide what their priorities are, and I don't think you should ask the Finance Minister of India 'why

are you not extending a scheme of one State to every other State?' Each State has got different schemes, based on the felt needs of that State. Are our priorities wrong? I believe, our priorities are right, and the Parliament has approved our priorities, the Parliament has approved our Expenditure Budget.

SHRIMATI BRINDA KARAT: Sir, rice at two rupees a kilo is everyone's priority.

MR. CHAIRMAN: Next question 442.

SHRI YASHWANT SINHA: Sir, we are asking a simple question, and we want a simple answer.... (*Interruptions*)... You are giving too simple an answer!

Rationalisation of Tariff regime

442. SHRI HARISH RAWAT:
SHRI SANTOSH BAGRODIA:†

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that for several product lines, the existing tariff regime results in higher import duty rate on raw materials/intermediates than on finished products, thereby discouraging value addition by domestic manufacturers;

(b) whether the Ministry have a list of all product lines, which face inverted duty structure;

(c) what action is proposed to rationalize the tariff regime to address this anomaly; and

(d) whether Government propose to do away with Early Harvest List in Regional Trading Agreements (RTAs) as the Early Harvest List of goods in RTAs create inverted duty structure?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d) A statement is placed on the Table of the House.

Statement

(a) Under the existing customs duty structure, there are instances when customs duty on the finished product is lower than the duty on its

† The question was actually asked on the floor of the House by Shri Santosh Bagrodia.