

[श्री प्रभात झा]

बात है, तो मोर्च पर भारत में कोई खास प्रगति नहीं हुई है। अन्य वेक्टर जनित रोगों के उन्मूलन के मामले में भी स्थिति यही है।

अतः सरकार से मेरी मांग है कि मलेरिया सहित विभिन्न रोगों के उन्मूलन के कार्य में तेजी लाने हेतु शीघ्र कदम उठाए जाएँ, ताकि स्वास्थ्य क्षेत्र में सहस्राब्दी विकास लक्ष्य को पूरा किया जा सके।

GOVERNMENT BILLS

The Appropriation (No. 3) Bill, 2012 and the Finance Bill, 2012

THE VICE-CHAIRMAN (RPOF. P.J. KURIEN) : Now, the Appropriation (No. 3) Bill, 2012 and the Finance Bill, 2012. Shri Pranab Mukherjee.

THE MINISTER OF FINANCE (SHRI PRANAB MUKHERJEE) : Mr. Vice-Chairman, Sir, I beg to move:

“That the Bill to authorize payment and appropriation of certain sums from and out of the Consolidated Fund of India for the services of the financial year 2012-13, as passed by Lok Sabha, be taken into consideration.” I also beg to move:

“That the Bill to give effect to the financial proposals of the Central Government for the financial year 2012-13, as passed by Lok Sabha, be taken into consideration.”

Mr. Vice-Chairman, Sir, normally it is not the practice that at the consideration stage details of the provisions are discussed. But this year's Finance Bill had some important features. After the presentation of the Budget on 16th of March, while having general discussion in both the Houses, and outside the Houses, a large number of comments and observations were made on various provisions of the Finance Bill and also on the budgeted proposals. Thereafter, in the interregnum period, between the presentation of the Budget, obtaining the Vote-on-Accounts and the related Appropriation Bill, I thought certain amendments would be required in the financial Bills and I introduced them and obtained the approval of the Lok Sabha on those amendments. The Bill, which we have placed before this House, is not the original Finance Bill; it is the Finance Bill, as amended, by Lok Sabha. Therefore, you will notice on top of the Bill, it is written 'As passed by Lok Sabha'.

As all the hon. Members are aware, the Finance Bill was passed in the Lok Sabha on 7th and 8th and with the passage of the Finance Bill by this august House, curtains would be drawn on almost three months of strenuous exercise of Budget-making, particularly in a very difficult year, nationally and internationally, so far as the past fiscal year is concerned. So far as direct taxes are concerned, the

recommendations of the Standing Committee on direct taxes were received only on 9th March, 2012.

I presented the Budget, and along with the Budget, the Finance Bill was also introduced on 16th March, 2012. Therefore, it was quite natural that I could not take into account all the major recommendations of the DTC. And, as I mentioned in the other House, I will have an opportunity, after the Budget Session is over, to go through all the recommendations, and thereafter, with the approval of the Cabinet, in the next Budget Session, I will bring the DTC Bill for the approval of both the Houses. And, at that stage, many of the recommendations of the Standing Committee will be accepted. But I have already incorporated certain amendments. These include removal of the cascading effect of the Dividend Distribution Tax, allowing Venture Capital to invest in all sectors, introduction of Advance Pricing Agreements and raising the threshold limit for audit and presumptive taxation to Rs.1 crore, which have been endorsed by the Standing Committee. Those are a part of the Finance Bill. However, as I mentioned, I could not consider all other recommendations.

Certain provisions relating to General Anti-Avoidance Rules (GAAR) have also been proposed in the Finance Bill, 2012. In the light of the recommendations of the Standing Committee on GAAR provisions in the DTC Bill, 2010, I have proposed an amendment to the GAAR provisions in three areas; (i) Remove the onus of proof entirely from the taxpayer to the Revenue Department before any action can be initiated under GAAR; (ii) Introduce an independent member in the GAAR approving panel to ensure objectivity and transparency. One member of the panel will now be an officer of the level of Joint Secretary or above from the Ministry of Law. So, it is not confined to the Department of Revenue alone as it was the original policy; and (iii) Provide that any taxpayer (resident or non-resident) can approach the Authority for Advance Ruling for a ruling as to whether an arrangement to be undertaken by her/him is permissible or not under the GAAR provisions. These will provide additional safeguards to the taxpayer. A Committee has been constituted under the Chairmanship of the Director General of Income Tax (International Taxation) to give recommendations for formulating the rules and guidelines for implementation of the GAAR provisions and to suggest safeguards so that these provisions are not applied indiscriminately. The Committee has already held several rounds of discussions with various stakeholders including the Foreign Institutional Investors. The Committee will submit its recommendations by 31st May, 2012. Realising that more time is needed to put in place the administrative structure to implement GAAR and to address various apprehensions and concerns expressed by the industry, I propose to defer the applicability of GAAR provisions by one year. The GAAR provisions will now apply to income of the Financial Year 2013-14 and subsequent years.

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The hon. Members are aware that a provision in the Finance Bill which seeks to retrospectively clarify the provisions of the Income Tax Act relating to capital gains on sale of assets located in India through indirect transfers abroad, has been intensely debated within the country and outside the country, inside the Houses and outside the Houses. I would like to confirm that clarificatory amendments do not override the provisions of the Double Taxation Avoidance Agreement which India has with 82 countries. It would impact those cases where the transaction has been routed through low tax or no tax countries with whom India does not have a Double Taxation Avoidance Agreement. The retrospective clarificatory amendments now under the consideration of Parliament will not be used to reopen any cases where assessment orders have already been finalized.

I have asked the Central Board of Direct Taxes to issue a policy circular to clearly state this position after the passage of the Finance Bill. Currently, the long-term capital gain arising from sale of unlisted securities in the case of Foreign Institutional Investors is taxed at the rate of ten per cent while other non-resident investors, including Private Equity investors are taxed at the rate of twenty per cent. In order to give parity to such investors, I have proposed a reduction in the rate, in their case, from twenty per cent to ten per cent, on the same lines as applicable to others. To promote further depth of the capital markets through listing of companies, extension of the benefit of tax exemption on long term capital gains to the sale of unlisted securities in an initial public offer has now been proposed. For this purpose, I propose to provide the levy of Securities Transaction Tax (STT) at the rate of 0.2 per cent on such a sale of unlisted securities. It has been proposed in the Finance Bill that any consideration received by a closely held company in excess of the fair market value of its shares would be taxable. Considering the concerns raised by 'angel' investors who invest in start-up companies, I propose to provide an enabling provision in the Income Tax Act for exemption to a notified class of investors. In order to augment long-term low cost funds from abroad for the infrastructure sector, the Finance Bill proposes a lower rate of withholding tax of five per cent for funding specific sectors through foreign borrowings. To further facilitate access to such borrowings, I propose to extend the lower rate of withholding tax to all businesses. This lower rate of tax would also be available for funds raised through long-term infrastructure bonds in addition to borrowing under a loan agreement. The Reserve Bank of India is formulating a scheme for subsidiarisation of Indian branches of foreign banks to ring fence Indian capital and Indian operations from economic shocks external to the Indian economic scenario. To support this effort, I propose to provide tax neutrality for such subsidiarisation. The Finance Bill proposes that every transferee of immovable property (other than agricultural land), at the time of making payment for transfer of the property, shall deduct tax at the rate of one

1.00 P.M.

per cent of such sum. I have received a number of representations pointing out the additional compliance burden this measure would impose. I, therefore, propose to withdraw this provision for levy of TDS on transfer of immovable property. To curb the flow of unaccounted money in the bullion and jewellery trade, the Finance Bill proposes the collection of tax at source (TCS) by the seller at the rate of one per cent of the sale amount from the buyer for all cash transactions exceeding Rs. 2 lakhs. Responding to the representations made by the jewellery industry, that this would cause undue hardship, I propose to raise the threshold limit for TCS on cash purchases of jewellery from Rs. 2 lakhs to Rs. 5 lakhs. The threshold limit for TCS on cash purchase of bullion shall be retained at Rs. 2 lakhs. However, it is being clarified that bullion will not include any coin or other articles weighing ten grams or less. As far as Customs and Central Excise is concerned, a related proposal was the imposition of Central Excise duty on unbranded precious metal jewellery at the rate of one per cent. In view of the outpouring of sentiment, both within and outside the House, the Government has decided to withdraw the levy on all precious metal jewellery, branded or unbranded, with effect from 17th March, 2012.

The House would recall that certain amendments were proposed to the Customs and Central Excise Law in respect of the classification of offences as cognizable and non-bailable. In response to concerns expressed by hon. Members that the proposal regarding grant of bail only after hearing the public prosecutor is too harsh, I have proposed omission of this provision. In addition, only serious offences under the customs law invoking prohibited goods or duty evasion exceeding Rs. 50 lakhs shall now be cognizable. However, all these offences shall be bailable.

As hon. Members are aware, taxation of services has undergone a paradigm shift with the introduction of a Negative List. This initiative has been widely welcomed.

The Negative List has been drawn keeping in view the federal nature of the policy. Some of the States, through the Empowered Committee of State Finance Ministers, have expressed their concerns. I have decided to address their concerns by making changes in the definition of “service” which will exclude the activities specified in the Constitution as “deemed sale of goods.” The definition of “works contract” has also been enlarged to include movable properties.

Exemption for specified services relating to agriculture in the Negative List has also been extended to agricultural produce enlarging the scope of the entry.

There are some other minor changes in the definitions based on the feedback and suggestions that we have received from various stakeholders and are specified in the revised draft.

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I look forward to the views of my distinguished colleagues from this august House on the proposals in the Finance Bill.

Sir, with these words, I commend these two Bills for consideration of the House simultaneously. Thank you.

The questions were proposed.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : The House is adjourned for lunch for one hour.

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

The House re-assembled after lunch at four minutes past two of the clock,

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

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : Discussion on Appropriation Bill and the Finance Bill. Shri Piyush Goyal.

SHRI PIYUSH GOYAL (Maharashtra) : Thank you very much, hon. Vice-Chairman, Sir.

I rise to speak on the Finance Bill and the Appropriation Bill. Though they have already been approved by the Lok Sabha, we are still concerned and pained about many issues, especially those that have arisen from this Finance Bill. And, I thank you, Sir, for giving us this opportunity to discuss this Bill and bring our issues to the kind attention of the hon. Finance Minister.

Sir, it is a sad day to have this debate listed in this House, because the first thing we do when we get up early in the morning is to read the Economic Times, and right from page 1 to the last page all you read is '*Economic gloom to deepen: India Inc.*', '*No Confidence on Business and the Political Economy*', '*Foreign investments expected to slow down*', '*Populism to worsen*', '*Low on confidence; low on certainty*', '*A Wake-up call for UPA*'. There is nothing in this newspaper, Sir, which would give some confidence to me or, bring some enthusiasm to a young man like me, who is looking to investing in India and looking to the future of India.

As they rightly say, Moody's add insult to injury. The rating of three of our best banks is downgraded and brought at par with the sovereign rating which, in the first place, is not something to be proud of. The rupee stays in a hole at Rs.53.97 to a dollar. There is nothing to enthuse the world. There is nothing to enthuse the Indian investor. There is nothing to enthuse even the middle-class, the poor people, and the corporate world. Nobody is enthused in the present economic climate in the country. The Finance

Minister mentioned in his Budget that he had to be cruel to be kind. Cruel he was and kind only in certain parts. I am glad that he was kind enough to correct some of the mistakes that I hope were inadvertent when he presented his Budget. But, I hope, he will repair them, rectify them and bring them in a better form. We have put in a lot of effort in the Standing Committee recommendations on the Direct Tax Code, which he has very kindly said he would take into consideration. I can only appeal to the Hon. Finance Minister to look at these recommendations in the true letter and spirit. Do not let them get bogged down in bureaucratic hurdles which typically happens when good ideas or good recommendations come to the political leadership of the day.

Sir, we have just celebrated 60 years of the Indian Parliament. This is also a time to reflect, as we did on Sunday, on the state of the Indian economy. After Independence, we have gone through six decades of distinct characteristics in the India growth story. In the '50s, we had the pain of partition; the planned model, the socialist model where State investments in core manufacturing and heavy industries with technologies largely from the eastern block gave us the GDP growth of about 4 per cent. In the '60s, we had the pain of three wars. But, we also had the Green Revolution initiative in 1963 and the nationalization of many sectors such as banking. We got a growth of about 3 per cent during that period. In the '70s, there was the pain of political instability. In the Emergency, many of our colleagues, sitting in this House, were imprisoned. We went through a period of turmoil in the country. A Government which had come on the slogan of *garibi hatao* in 1971, which I personally believe sowed the seeds of vote-bank-politics in this country, was absolutely unable to manage the political environment and we had a situation of turmoil. Despite that, the GDP grew by 4.5 per cent. In the '80s, there was hope. A young man was elected as the Prime Minister for addressing some of the security issues that were prevailing in certain parts of the country. We had a great hope at that point of time. I was a young man; I was in my teens at that time. Unfortunately, Sir, despite averments to say that he would stop leakages in the Government system—which had gone as high as 85 per cent, as quoted by the hon.-Prime Minister at that time—the country was saddled with major corruption scandals. And, once again, we saw a period of uncertainty. We saw the rise of sectarian politics and the GDP growth remained at about 5 per cent. As my colleague was saying, we saw for three decades the 'Hindu rate of growth'.

Sir, '90s was a decade of extraordinary challenges and extraordinary changes with the collapse of the Centrally-planned economies. It started with the Gulf War which led to a sharp increase in oil prices. The payment crisis of 1991 that the country faced, the hon. Finance Minister referred to it in his speech in the other House, was not simply due to deterioration of the trade account. It was accompanied by other adverse developments on the capital account reflecting the loss of confidence in the Government's ability to manage the situation. I am quoting this from a statement of

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the Government of India titled, 'The Payment Crisis of 1991'. The cost of credit rose sharply. There was an outflow of NRI deposits. The IIP, Sir, fell during August 1990 to November 1991, from 10.9 per cent to minus 1.5 per cent.

There was also evidence of expectation of default; therefore, of devaluation also. And these were creating significant imbalances in the economy. All this happened in a short span of nine months, Sir. I am saying all this to highlight that when we see the situation today, we are coming very close to a situation like that. The hon. Finance Minister has used some statistics, in the other House, while replying to the debate, where he said that we still have seven months of foreign exchange to cover our imports. Our short-term debt to the GDP has reduced significantly. Our external position is not as bad as it was. But, Sir, I beg to differ with the hon. Finance Minister. Today's situation shows that the foreign exchange reserves are at 16.9 per cent of the GDP, as the hon. Finance Minister himself said. The import cover has come down to 7.3 months from 14 months. External debt is still 20 per cent as a proportion of the GDP, and the short-term debt is now 26.3 per cent. Sir, the situation may look quite cozy in terms of numbers to the Hon. Finance Minister, but it is not so when you juxtapose it to the high level of 130 billion dollars of repayment in the next 12 months with the FII investments of 200 billion dollars, in the Indian market, and large NRI deposits, all of which, Sir, is hot money, in all of which, Sir, there can be a flight of capital in the climate that the country is in today, the negative mood, the negative sentiment prevailing. All of these, Sir, are worrying whether in the next six to nine months, the hon. Finance Minister, often quoting coalition trouble, will be able to handle the situation and improve the fiscal position. Of course, I don't subscribe to this theory of coalition compulsion because we have run a coalition also, Sir. We have had almost the same allies that this Government has. While Mr. Vajpayee ran the Government, I think, he ran it very credibly; he ran it taking the coalition partners into confidence; he respected the sentiments of the coalition partners, and he respected State-Centre relations and federalism. I am sure, if this Government was to look at these issues more seriously with an open heart and an open mind, they would also not have such serious problems with their partners.

Sir, after the new Government came up in 1991, there was a period of economic liberalisation and substantial reforms. Some structural reforms on trade and industry, and the policy framework was improved, and certainly, there was some fiscal correction, some fiscal discipline, which was necessary to restore the macro-economic balance in the economy. But, then, we cannot deny that the economy came back on track only for a few years. But what did they leave behind for the NDA to inherit in 1998? There was inflation at 9.3 per cent; the growth was at five per cent of the GDP; agricultural growth was negative; industrial production down; export performance less than three

per cent growth from last year; fiscal deficit at 6.1 per cent of the GDP; capital market in the doldrums; and huge infrastructure bottlenecks. The NDA was given a Government with all these problems. Apart from that, the NDA Government also had to face an unprecedented financial turmoil, the East-Asian Financial Crisis in 1998; followed quickly by economic sanctions, after the famous Pokhran Nuclear Tests, which finally brought India into the league of nuclear nations and made us a proud country. We also had to face the Kargil War. Despite all that, in the decade of 2000, the NDA Government focussed on fiscal consolidation, business and trade liberalisation. We had insurance, banking, telecom, power, land-ceiling laws, political reforms, the FRBM Act, huge road development and airport privatization programme, a very successful disinvestment programme, and over all, we strengthened the macro-economic parameters.

Sir, the UPA Government came back to power in 2004, and I quote from the Economic Survey of 2004-05, prepared by the UPA Government. They said that the economy had registered a growth of 8.5 per cent in 2003-04; Agriculture grew at 9.6 per cent; industry, 6.6 per cent; services maintained 9.1; inflation was down to 5.5 per cent; the Consumer Price Index in April, 2004 grew only 2.2 per cent. The external debt position, thanks to prepayment of costly debt and rationalization of interest rates, had improved significantly.

We had low interest rate. The Forex reserves had gone up to 113 billion dollars which showed almost 40 per cent growth annually for 6 years. The current account surplus was there for the last three years of the NDA rule. The debt sustainability indicators were in the positive. The external debt as a proportion of the GDP was at 17.8 per cent and the share of short-term debt, which the hon. Finance Minister was very happy to report at 20 per cent now, was only 4.3 per cent when we laid down office. Fiscal deficit was at 4.6 per cent. This is what we gave them in inheritance, Sir. And look at what they have done in the last eight years of UPA rule. Every economic parameter has deteriorated. Look at the current year, 2011-12, figures. GDP growth has been revised to 6.9 per cent. I humbly submit that figure is not going to be achieved. Look at the last quarter's number as they are coming out. Every number is showing less than projected. I suspect the GDP will be at 6.5 per cent last year. We had double-digit inflation. Forex reserves have fallen in the last year to 293 billion dollars. The fiscal deficit is at 5.9 per cent and again the last quarter results can make that deteriorate further. Sir, S&P's downgrade says it all. They have projected a negative outlook on long-term credit servicing capability of India. This could lead to a possible downgrading of the sovereign rating within the next 24 months. There is little progress in economic reforms they say. The GDP growth rate will decline further. Fiscal deficit is unmanageable and will shoot up as subsidies will rise. Sir, when the NDA was in power, we are proud to say, the ratings had improved. It was from a negative to a positive outlook when the NDA Government ran. Even the Fitch ratings had improved

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during the NDA Government. But what has happened now? Sir, please do not take the ratings lightly. This decline in the Sensex following the ratings, this rush of FII flowing out of the country, the stoppage of any new proposals, no FII no FDI coming into the country. Well the Government may claim that in March eight billion dollars came out. But as an investment banker, I would like to submit that the 8.1 billion dollars included a deal which was consummated six months before, over 6 billion dollar of that was only from that deal. Right now there is absolutely no business in the market. All new investments have stopped, Sir. There is impetus for outflow of funds rather than inflow of funds. Indian businessmen, the Economic Times report says that the Indian businessmen are looking to invest outside the country. They have no confidence in my country any more. This is despite the fact that we have one of the most learned, one of the most experienced Finance Ministers at the helm of affairs. Well, the Hon. FM said that it is a timely warning and there is no need to panic. I submit, Sir, he did not need the S&P to be giving this timely warning. In this very House, when I spoke on 11th August, 2011 on the Appropriation Bill No. 3, I had said and I quote: "India could get into a situation of downgrade similar to the USA situation now and the country cannot afford any downgrade at this stage which will result in an increase in the cost of our international borrowings." A common man can tell you what is happening in the economy, Sir. Of course, the Economic Advisor has revealed all when he said this in the IMF in Washington about the state of affairs of this Government. Sir, please do not blame every thing on global factors alone. We have a huge domestic economy, a huge domestic consumption demand. We have a huge demographic dividend to benefit from. The business environment is today shattered. The business environment wants confidence. The Indian entrepreneur, the investor is more than enough to overcome all these difficulties. If only the Government of the day would give an impetus to their efforts. But in the aftermath of the series of scandals, governance issues which have come to the fore, have left this Government paralysed. Licences get cancelled. There is no clear policy on spectrum allocation. We do not know what will happen in the arbitration that global companies had initiated against India, and many of them are talking of withdrawing from India. Sir, the message has gone out that the Government of India no longer cares about attracting investment.

I, very respectfully, submit that the hon. Finance Minister did not do justice when he said in the other House that India can live without 'foreign investment.' Certainly, India can live without 'foreign investment.' I will be the last fellow to say we need only 'foreign investment'. But I have tonnes and tonnes of cuttings here of the hon. Finance Minister, of the hon. Prime Minister, of the hon. Commerce Minister going all over the world, almost begging for foreign investment, coming to this House and almost pleading with this House to support multi-brand retail FDI. Is that the only form of

FDI to attract investment? FDI is permitted in a hundred other sectors. Why is that FDI not coming? What makes you to believe that multi-brand FDI will come? But FDI will not come in setting up cold storages, infrastructure, roads, and airports. That is because of the policy paralysis that this Government has gone into. The benchmark indices have declined drastically since March 16, the date of presentation of the Budget. As we all know, the rupee is depreciating. FDI investments have dried up in the last two months. Sir, this Budget was an opportunity to change all this negative perception about India. We had no elections round the corner. It could have laid a road map for the future. However, all sections of society were let down, as I will explain a little further. There is total policy paralysis, non-movement of reforms, no focus on energy security, no focus on investment in infrastructure, no focus on health and education, and no focus on farmers on whose sweat and toil this country runs. What is this Government giving to the people of India? The power sector is starved of coal and raw materials. They are lying idle. There is no coal; there is no oil; there is no gas. Infrastructure development is stagnating, because Ministries within the Government don't see eye to eye. The Ministry of Environment is out to stymie all the projects. The Ministry of Finance and the Reserve Bank together have made investments so expensive that it is unviable today. In health and education, there is an incremental increase in spending, that the Budget shows. But there is no focus on quality. We have huge NRHM scams and we have also huge MNREGA scams. Social spending is good, Sir; we are not against it. But social spending should be directed; social spending should result in creation of infrastructure and in the well-being of the people. There are no concrete measures to promote agriculture in this Budget, as I will show later.

Sir, the disinvestment targets are not met. Disinvestment is not a year-end phenomenon. You didn't do disinvestment of ONGC until the last quarter of the year. Then, when you do it, you mess it up. Your bureaucrats advised you to keep the share price over and above the market price of that day. I am amazed that this Government has such Advisers. They should be sacked forthwith, if that is the level of advise that they give to this Government. When only five per cent of the disinvestment amount is subscribed on that crucial day, what does the Government do? The Finance Ministry steps in. They put pressure on a PSU like LIC, and make the LIC subscribe to 95 per cent of the issue, after closing hours. I demand that an investigation should be done on this and a White Paper should come out. Is that the cause of LIC being downgraded in the current Moody's round? We must know where the truth lies, Sir. There are residual stakes of Hindustan Zinc Ltd. and BALCO, which are low-hanging fruits this Government can encash. I don't know why they can't take decisions on anything. I don't think they need coalition partners' approvals for day-to-day decision making. I think, Sir, India's finances are held hostage to political whims. We need to move out of vote-bank politics. We need to see fiscal prudence, we need to see cost of borrowing going down, capital investment being encouraged; we need to respect investors'

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sentiments and domestic consumption. Sir, in the last few years, tax revenue has only been used to fund short-term political gains. Investment activities have been given only lip service. As I had mentioned in this House earlier, in the last eight years of this Government, revenue expenditure has gone up by over 300 per cent at an average, Plan and Non-Plan, whereas capital expenditure has not even gone up by 100 per cent. Sir, the future generations are going to hold all of us responsible for the situation we are leading this country to and for what we will leave behind for them to suffer.

Sir, there is this policy flip-flop. The Finance Bill, not this year but the last year, provided for MAT and DDT on Special Economic Zones. Now, ‘Special Economic Zones’ was a visionary policy introduced by the NDA. We had expected them to be large format zones in rural hinterland, largely on wastelands with independent and new infrastructure, tax benefits and easier operating laws to reduce the pressure on existing cities. We wanted to create jobs, we wanted exports to grow, and we wanted Indian competitiveness in manufacturing to be there. But, Sir, what did this Government do? In UPA-I, they approved over 700 SEZs. Against the two that were approved by the NDA, they approved over 700 SEZs, as small as 20 acre SEZ in the heart of Mumbai — and I don’t know how many SEZs are there in Gurgaon, outside Delhi. They messed up a beautiful law and then when they realized that it has gone out of hand, they bring in MAT and DDT without any grandfathering provisions. This uncertainty has led to a complete loss of confidence in the ability of this Government to attract foreign investment.

Sir, investments and saving rates are falling. The monetary policy, which is being used to arrest inflation, is only causing more pain. In this climate of policy flip-flop, they bring in a large number of retrospective amendments in the Finance Bill. Nobody is against taxing foreign incomes which relate to assets in India. I think, this whole House can unanimously support such a Resolution. But do not make it retroactive in nature and don’t make the people lose confidence in the judicial system of India when the Supreme Court of India gives a certain ruling. When the Supreme Court could not understand and interpret the law—anyway, it was the Congress Government which was in power when the IT Act came—when all of us, Chartered Accountants, could not interpret it, when lawyers could not interpret it, the bureaucrats — I am not blaming the Finance Minister because, I am sure, he has been misfed with information — say, ‘no’, the law has to be retrospectively clarified. In 1961, we meant it as follows. Now, if they had to bring a clarification to just attack one Company, they should have done it in 2007, in 2008, as the United Kingdom has done, as China has done. The hon. Finance Minister has referred to this. Sir, I have all the details here. There is not much time. I could have dealt on each of the retrospective amendments that took place in USA, China and the UK. All of them, Sir, grandfathered the past. The UK amendment,

Sir, that you talked about, grandfathered the decisions of the Court when they brought in retrospective amendments. And, I spoke to the hon. Finance Minister of UK. He said, 'It was brought within two months of the event occurring and it was to tax 'a particular transaction.' It was discussed with that Corporate and it was settled that 'yes, this is how it is; this is how we are clarifying it.' There is a complete absence of consistent and coherent decision-making in this Government.

Sir, the oil and gas sector is suffering. Inequalities in the country are increasing and overall, there is a sense of doom and gloom which is stated in the newspapers every day.

Sir, I want to make a few suggestions. Let us focus on agriculture with 15 per cent of the GDP, but 55 per cent of the population dependant on it. I think, the Plan target of 4 per cent growth is not enough. We need to look at incremental growth.

THE VICE-CHAIRMAN (PRO. P.J. KURIEN) : Mr. Goyal, please conclude.

SHRI PIYUSH GOYAL : Sir, I have talked to my leaders. We have only one speaker. He needs two-three minutes. So, don't worry.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : But even then, please stick to the time.

SHRI PIYUSH GOYAL : Don't worry. We will stick to the time unless the hon. FM tells me to sit down.

Sir, the Plan target of four per cent growth is not enough. We need to look for incremental gains in productivity. We need massive requirements to meet the Food Security Bill that the extra constitutional bodies are now forming, and, possibly, we will see in this House. That additional requirement will have to be met by imports and that level of import will make international prices of foodgrains rise exponentially and the Forex strain on the country will be huge. Not to say, Sir, I am against food security. Ensure food security, but not by imports; food security by encouraging my farmer to produce more, by giving him low-cost credit, by giving him money when he needs it most, by giving him low-cost high quality seeds, by not making fertilizer prices increase by 250 per cent in one year between 2010 and 2011, by giving storage facilities and warehouse chains so that his foodgrains are not allowed to rot, and, if I may just add, by giving him jute bags in time, so that he doesn't have to suffer an ignominious loss of his produce.

Sir, that is what we need to address. The way forward would be to infuse technology in our farms. The way forward would be to invest in infrastructure in the farms, make prices commensurate with the cost of production, incentivize private sector participation in farm infrastructure by giving viability gap funding, because by

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itself, it is not viable and work closely with the States, this being a State Subject, to bring in uniform laws all over the country.

Sir, there is a risk of food insecurity in the coming years, and the problem of water shortages is looming large. There is a risk to ecology in Punjab and Haryana due to deterioration of soil and fall in the Water Table. We need to encourage crop rotation and stop grain mono-cropping there. Overall, Sir, I think, agriculture needs a focus, which is, sadly, lacking in this Government.

Health, Sir, is the other sector which I would like to talk about. Outlays have been increased, but there is no strategy to address the lack of infrastructure in the public healthcare delivery mechanism. Primary Health Centres are in a mess. There is a huge shortage of doctors and nurses. There is no effort in capacity building. It is so difficult to get a medical college from this Government, because they can't even get appointments and elections to the Medical Council of India, done.

Sir, the Budget is all about *asha*, but I think, it has left all of us with *nirasha*! The NRHM corruption and misuse of funds needs to be stopped. I think, the Government should seriously look at investing more of the GDP in health, and increase the health linkages with the private sector, something like the UK model, where doctors set up their Primary Health Centres and the Government funds their budgets, or the *Vatsalya* Hospitals or the *Narayanan Hridayalaya* experiment in Andhra Pradesh, with their own Government there.

Sir, in education, the less said, the better. They can keep tom-tomming any figures of literacy but they don't mean anything. Their own esteemed colleagues in the Treasury Benches point out to us that a IX Standard student can't read a III Standard textbook! We need 500 million more skilled people in this country in the next ten years. And what kind of capacity building do we have? We can, at best, make five million people developed in skills annually in this country. We have a very illustrious person in Mr. Ramadurai to head the Skill Development Corporation, but I think, unless we dovetail some more projects, unless we dovetail education, skill development—and I would also suggest MNREGA—into one, we will never achieve skill development, because the poor man is not going to come for skill development, losing wages. I was going to recommend that MNREGA should be dovetailed with skill development and people given money to develop their skills over a period of time. That way, we can actually invest, not just Rs.3000 crores in skill development, which they have provided, but possibly, even Rs.40,000 crores.

Sir, job creation is the need of the hour. Jobs can come in manufacturing, jobs can come in tourism and jobs can come in housing. And, what have we done? We have

just announced some manufacturing policy, but have dismally failed to create new jobs. The share of manufacturing has fallen to 16 per cent. None of the issues relating to availability of land, connectivity, infrastructure, skills and finance at a reasonable cost have been addressed. There are multiple levels of taxation. Labour laws need to be rationalized. There is a shortage of power and water. About the Environment Ministry, the less said, the better. Manufacturing is at a standstill in this country.

Sir, talking of tourism, this Budget allocates Rs.1282 crores for tourism, which is just one per cent of the Budget. Malaysia allocates 5.1 per cent, China, 3.8 per cent and Singapore, 9.1 per cent of the Budget. We had 6.27 million international tourists last year. We can only hang our heads in shame; even Singapore and Dubai, which are one-city States, have more international tourists than the whole of India. The USA had 62 million international tourists last year.

And what do we do? We increase the burden of service tax on tourism. We don't create any infrastructure in tourist locations. We don't provide any incentives to the private enterprises. We don't give any tax holiday from Civic, State and Central taxes because tourism is like export and there is adequate possibility to earn forex revenues out of tourism to help the hon. Finance Minister manage debts. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : Mr. Goyal, you have taken 31 minutes. Only 12 minutes are left for your colleague.

SHRI PIYUSH GOYAL : He is my colleague. He is right here. You can ask him. ...*(Interruptions)*... On housing, Sir, the Budget is silent, except providing 150 per cent Weighted Deduction. There is nothing else to give a push to affordable housing and to give encouragement and impetus to the housing sector. We need easier regulatory and environmental approvals and low interest cost to make houses available to all in this country. Infrastructure, Sir, which is the most important sector is begging for this Government's mercy. We need to give an impetus to infrastructure projects through effectively using the Viability-Gap Funding mechanism. Environmental and regulatory approvals should be obtained by the Government before they allocate projects to the private sector, rather than private sector running from pillar to post and failing to get any approvals in time. The high cost of interest and unavailability of long-term capital make infrastructure projects unviable. In fact, Sir, in another scheme for MNREGA ...*(Interruptions)*...

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

SHRI PIYUSH GOYAL : You could possibly dovetail MNREGA with Viability-Gap Funding and promote Rs.1 lakh crore worth of projects. Using that, it would still put Rs.40,000 crore into the people's hands because labour cost is 40 to 50 per cent of

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infrastructure projects. Sir, the Roads Programme is at a complete standstill. Hardly, four or five kilometers of roads a day are coming up. The telecom industry, which was the blue-eyed boy and which was a showcase industry, is in a complete mess. They are in a state of flux with uncertainty. The regulatory regime is completely messed up. Owing to scandals and policy paralysis, costs to the consumers are increasing rapidly. Some recommendations have come out, which will take the country back to pre-NTP-99 days and you will be in a situation where we will again start paying Rs.2 or Rs.3 per minute from mobile phones that we are so liberally using now. Overall, the telecom sector has plunged into uncertainty and a total policy failure. We need to create 200 new airports in this country to connect the length and breadth of this country through low-cost airports. Please also make the taxes competitive. Don't kill the whole industry. Look at Goa. They halved the ATF and are encouraging the airlines industry to come in a bigger way. Your major airports in the country are so costly that nobody in the world wants to come there. Our Indian airports are ten times the cost of the Dubai International Airport. How are we going to encourage the airport sector?
...(Interruptions)...

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : Please conclude.
...(Interruptions)...

SHRI PIYUSH GOYAL : We need to bring in new ports in the country. Expand the rail network. In the power sector, there is complete policy paralysis. We have been hearing that the Government will address these issues. But so far we don't see any light at the end of the tunnel. I wish there would be focus on renewal energy, solar, wind and bio, which can remove the shortages of power.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : Now, please conclude.
...(Interruptions)...

SHRI PIYUSH GOYAL : I have been unwell for the last two-three days.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : For the sake of your health, you should conclude now ...*(Interruptions)*...

SHRI PIYUSH GOYAL : Sir, in the Finance Bill, I am going to highlight one or two things. Well, it is very good that section 35AD provides Weighted Deduction for investment in various sectors. It should be allowed to be set off against the other business income of the company. Otherwise, it is a failed section. You allow it to be set off against the income of that same project, which will come over ten years. That benefit doesn't accrue to the business and it doesn't have any impact on making infrastructure cheaper.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : Now, you have to conclude.
...(Interruptions)...

SHRI PIYUSH GOYAL : Also, Sir, they have withdrawn GAAR.
...(Interruptions)...

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : Now, you have to conclude.
...(Interruptions)...

SHRI PIYUSH GOYAL : Sir, in the direct taxes, in the taxes which are applicable on indirect transfers, they have not yet clarified the position regarding FII investment and for up-stream investors. ...(Interruptions)...

I think the Government needs to address various issues in the Finance Bill and bring in a sense of confidence in the economy.

Thank you.

DR. BHALCHANDRA MUNGEKAR (Nominated) : Mr. Vice-Chairman, Sir, I thank you for allowing me to express my views on the Appropriation (No. 3) Bill, 2012, and the Finance Bill, 2012, as passed by Lok Sabha, which I strongly support.

Sir, I begin by congratulating the Hon. Finance Minister because under the prevailing domestic and global financial conditions, probably, nobody would have presented a better Budget and a Finance Bill than the ones presented by the Hon. Finance Minister, Shri Pranab Mukherjee for 2012-13. Sir, taking into account the entire structure of the Budget and the Finance Bill, there is no doubt in my mind that he is more kind and less cruel, if at all 'cruelty' is defined in that way. Sir, it is ridiculous to judge the performance of the economy of the Indian size on the basis of what happened during the last two months, three months, or, last one quarter.

Before I proceed to analyse the Finance Bill and the Appropriation (No.3) Bill and the provisions of the Budget, I must make two broad observations in the beginning. Sir, in the entire history of Parliamentary Democracy, probably, an Opposition Party is yet to be born which will find any merit at a point of time in any of the policies formulated by the Ruling Party. Second qualification is that there is difference between political economy and abundantly mixing politics with economics. In my presentation, whatever time is available to me, I shall be speaking about more of economics of the Budget and the Finance Bill rather than mixing more politics with economics.

Sir, under what condition the Finance Bill and the Budget have been prepared? The world economy is limping under the global financial crisis of September, 2008. International prices of crude oil have been rising and hovering around between \$100 and \$120 per barrel. Some countries have been manipulating the exchange value of their currencies which have been distorting the world commodity prices which have

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been showing an upward trend. The EURO Zone is still in deep sovereign debt crisis, so much so that the credit ratings of Portugal and Greece, during 2007 and 2012, have fallen by 32.79 and 74.52 per cent, respectively. Once upon a time, the EURO was itself on the verge of collapse. The entire Arab world is in turmoil. The world economy continues to be volatile. As a result, the economies of developed countries could barely grow at the annual average rates between two to three per cent during 2011. During the first three quarters of 2011, even the Brazil and Russia registered growth rates of 3.2 and 4.2 per cent respectively. Only China and Argentina, of all the countries in the world, could register growth rates of 9.2 and 10 per cent respectively. Sir, Indian economy's performance of 6.9 per cent growth for the last year is to be viewed in this international background.

Sir, as against the targeted growth rate of 7.5 per cent for 2011 -12, the growth rate, as I mentioned, was 6.9 per cent. One reason for this was 13 times increase in the repo rate in 19 months by the Reserve Bank of India to control inflation that raised the cost of credit to the industry. The objective of the Reserve Bank of India is very noble, but it could not be fairly achieved, because the problem of Indian inflation is essentially a structured problem. But, Sir, let me compare the growth scenario during the NDA and the UPA-rules. Under the UPA rule, between 2005-06 and 2010-11, the rate of growth ranged between 6.7 per cent in 2008-09, which was the lowest, and 9.6 per cent in 2006-07, which was the highest. This means, even the lowest growth of 6.7 per cent in 2008-09 during the UPA-rule was higher than that for the four years of BJP-led NDA Government, ranging between barely 4 per cent in 2003-04 to 6.7 per cent in 1998-99.

All said and done, the BJP-led NDA must gracefully accept that the UPA has outpaced them so far as the growth scenario is concerned. ...*(Interruptions)*...

SHRI PRAKASH JAVADEKAR (Maharashtra) : This is not politics! This is economics! ...*(Interruptions)*...

DR. BHALCHANDRA MUNGEKAR : These are the figures. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : Mr. Javadekar, please. Please take your seat. ...*(Interruptions)*... This is his view. ...*(Interruptions)*...

DR. BHALCHANDRA MUNGEKAR : Sir, throughout my professional career, I have always argued that higher rate of growth is *necessary* but *not sufficient* condition for raising the levels of living of the people. Equally important, it depends upon the pattern and structure of the distribution of the benefits of economic growth. But it would be absolutely absurd to underestimate the importance of higher rate of growth because in the absence of higher rate of growth, we shall have job only of distribution of poverty.

Sir, there is wide variety of views, criticism and evaluation of Budget, 2012-13. Some have found it reasonable, pragmatic, rooted in the ground, cautious, balanced and broadly acceptable to all sections of the population. Some have described it as second worst since 1970-71, and, some have, as usual, described it as “anti-people.”

Sir, in a highly in-egalitarian society like India, Budget is an exercise to balance, not only different but conflicting claims of different sections of the population. This is what is, in classical sense, political economy of the Budget.

Sir, Budget is not merely a mechanism of allocation of resources. It is also the mechanism of distribution of income among different sections of the society. Sir, with what is known in economic theory as the *Budget constraint*, the Finance Minister, according to me, has tried to the best of his ability, to address major concerns of the economy. Personally, I would have liked him to do many more things, and, also to do, whatever he has done, on a larger scale; but I know his constraints.

Sir, first and the foremost, all the critics have miserably failed to understand that the Finance Minister has emphasized on the domestic *demand-driven growth recovery*. Sir, it is common knowledge in economic that there is difference between the size of population and the size of domestic market. The latter comprises only that section of the population that is relevant from the viewpoint of demand for consumption goods and services; and, investment goods, what Lord Keynes had described as *Aggregate Demand*, which, at a given point of time, through famous Keynesian principles of multiplier and acceleration, determines the level of income and employment, and, speeds up the process of economic growth. The size of potential market of Indian economy is just huge, the point which was all along emphasized by prominent Indian economists such as Nirmal Kumar Chandra, Ashok Mitra, Sukhamoy Chakravarty, and, K.N. Raj. I, therefore, compliment the Finance Minister for explicitly underlining the crucial importance of domestic demand-driven growth for accelerating the process of economic development in the country.

Sir, the Finance Minister has tried to address the concerns with respect to supply-bottlenecks, again within the Budget constraints, in agriculture, energy, coal, transport, and, other infrastructure areas. Other steps include, stimulating private sector investment, tackling malnutrition through effective intervention in 200 affected districts, ensuring improvement in the delivery system through transparent governance, addressing the question of corruption in public life, and, bringing out a ‘White Paper’ on black money.

Sir, the Eleventh Five Year Plan, during the UPA rule, under the able leadership of hon. Prime Minister, Dr. Manmohan Singh, is a turning point in India’s post-Independence economic planning. Not only was the Plan committed to securing faster and more inclusive growth, but for the first time since Independence, it was the Eleventh

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Plan, which ushered an era of *rights-based approach to development*. It brought Right to Free and Compulsory Education to Children, Tribal Forest Land Rights Act, the Right to Information, and, most importantly, the Mahatma Gandhi National Rural Employment Guarantee Scheme. Let me now briefly deal with some important proposals and programmes initiated by the hon. Finance Minister, and, while mentioning this, I shall take note of certain points, that I think, important, raised by hon. Member from the Opposition.

Firstly, let me take agriculture. Sir, despite two decades of economic reforms concentrating mainly on services sector to be followed by industry, agriculture still provides 55 per cent of country's total employment and more than two-thirds of the people depend upon it for their livelihood. But its share in GDP has declined to 13.9 per cent in last

This is a disproportionate crisis. Agriculture is a State subject and the States must invest more in this sector without giving any excuse. In my first speech in the Rajya Sabha, Sir, I had suggested to the Government that let there be a special meeting of the National Development Council to deal exclusively with the problems of agriculture. The Finance Minister has allocated Rs. 20,208 crore to the Department of Agriculture and Cooperation, Rs. 9,217 crore to the Rashtriya Krishi Vikas Yojna and Rs. 14,242 crore to the Accelerated Irrigation Benefit Programme. Most importantly, agricultural credit is enhanced by Rupees One lakh crore—from Rs. 4.75 lakh crore in 2011-12 to Rs. 5.75 lakh crore this year. I hope the small and marginal farmers who constitute about 70 per cent of the total farmers in the country shall get their due share from this substantial enhancement of the farm credit.

Sir, we saw a furore in the country, including the Parliament, over the poverty estimates recently released by the Planning Commission. I don't want to enter into the controversies relating to the methods of poverty estimation. But I must pay my tribute to my friend, late Prof. Suresh Tendulkar, who brought poverty estimates in this country out of calorie norms, and for the first time included expenditure on education and health. But, Sir, whatever method one may use, the extent of poverty in India has undoubtedly declined, though the rate of reduction has slowed down due to growing inequality in the distribution of benefits of economic growth. Sir, in this context, unlike what my earlier colleague said, I compliment Shrimati Soniaji Gandhi for championing the National Food Security Scheme which is a very important scheme because at least 60 years after declaring this country as a Sovereign, Democratic Republic, poor people in this country have a legitimate right to adequate food entitlements. Sir, the National Food Security Scheme has also an ethical dimension; it is not merely an economic programme, because economics minus ethics would lead us to a jungle of figures and statistics.

The allocation to the Integrated Child Development Scheme has been enhanced by 58 per cent. The Mid Day Meal Scheme, among other things, may have played an important role in reducing the dropout rates at the primary school level and has been given approximately Rs. 12,000 crore.

Sir, contrary to severe criticism in some corners, I am proud of the achievements of the Nehruvian- model of socio-economic development that laid down the foundation of an emerging Indian nation state, and that too, against all odds. Therefore, I discount the discovery of some professional economists and social scientists, some of them being even Lords, that the Nehruvian-period was a wastage of time. There is a growing fashion of dismissing everything that happened before 1991.

But, Sir, as Prof. Michael Lipton argued in 1981 in his celebrated book, *Urban Bias in World Development*, I am constrained to say that even the Indian economic planning in the initial years was not totally free from urban bias. This was particularly true with respect to access of rural people to good quality education and health facilities, drinking water, sanitation, roads, housing, electricity, entertainment and so on. It will be absolutely unfair to say that this was intentional. In fact, several schemes and programmes were initiated during the intervening period by different Governments, and all of them happened to be the Congress Governments. One such revolutionary intervention was made by Shrimati Indiraji Gandhi when in 1969, she nationalized major commercial banks and brought agricultural credit under priority lending. Sir, I distinctly remember, as a student of Economics, that the then Bharatiya Jana Sangh and Swatantra Party vehemently opposed nationalization of banks, and as far as my understanding goes, left the House when the decision was taken in the Parliament. Napoleon once said, “Had there not been Rousseau, there would not have been French Revolution”. I say with a sense of pride, had Shrimati Indiraji Gandhi not nationalised the banks and brought the agriculture credit under the priority lending, there would not have been Green Revolution.

The second revolution was brought in the area of communications and information technology for which the country shall permanently remain grateful to late Shri Rajivji Gandhi who knew the pulse of the 21st century. He was also the architect of the 73rd and 74th amendments to the Constitution that gave a new life to the Panchayati Raj institutions, that empowered the rural people in general and women in particular through 33 per cent reservation for them in these institutions.

Thereafter, only the Congress-led UPA Government has made a decisive intervention through initiating the rights-based approach to development.

Sir, the Finance Minister has provided Rs.14,000 crore for rural drinking water and sanitation and Rs.24,000 crore for the Pradhan Mantri Gram Sadak Yojana. According to an important study by the International Food Price Research Institute,

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access to good quality all-weather roads is shown to have a stronger poverty-reduction impact than even irrigation, due to the former's multi-dimensional linkages.

Widening inter-State and intra-State economic disparities have a crucial bearing on our federal polity. I, therefore, appreciate that the Finance Minister has allocated Rs.12,000 crore to the Backward Region Grant Fund and Rs.20,000 crore to the Rural Infrastructure Fund.

The Eleventh Plan had allocated 20 per cent of its total resources to education sector. That had made the Hon. Prime Minister describe the Eleventh Plan as the 'Education Plan'. This time too, the Finance Minister has provided adequate amount for the Sarva Shiksha Abhiyan and the Right to Education.

Sir, during the last several years, due to growing privatisation of health facilities, the relatively poor people are forced to spend much larger population of their income on medication than before. I, therefore, compliment the Finance Minister for providing Rs.20,822 crore under the Rural Health Mission. I am happy to know that the Government shall be soon launching the Urban Health Mission also.

Sir, creation of productive skills in the labour force is one of the key and critical requirements for accelerating the process of economic growth, as was argued by Professor Theodore Schultz. Sir, we all know that in our labour-abundant country, barely 8-9 per cent of the formal training workforce is endowed with training; three per cent and about seven per cent on the job training. I am sorry to say that our entire university education system is largely irrelevant to induce employability in our youth. We have to seriously deal with this syndrome by totally restructuring our higher education system. In view of this, I congratulate hon. Prime Minister on initiating the National Skill Development Mission during the Eleventh Plan followed by the formation of the National Skill Development Corporation, which is working satisfactorily with adequate financial provision.

Sir, the Mahatma Gandhi National Rural Employment Guarantee Scheme has become a toy in the hands of politicians and mainstream economists for criticism. According to me, the Mahatma Gandhi National Rural Employment Guarantee Scheme is the most novel programme that the UPA Government gave to the nation. Sir, nowhere in the world such scheme is thought of, let alone implemented. I gratefully mention the contribution of the Congress President, Smt. Soniaji Gandhi, in initiating this scheme and Shri Rahulji Gandhi initiative in making it nationwide. Sir, the successive Economic Surveys have shown that about 50-60 million poor rural unskilled households are annually given assured jobs with varying number of days and with minimum wages. And who are these people working on it? The share of the Scheduled Castes and the

3.00 P.M.

Scheduled Tribes in the total persondays of employment in the country was 61 per cent in 200 districts in 2006-07; about 56 per cent in 330 districts in 2007-08; and about 52-54 per cent in all districts during 2008-09 to 2010-11. The remaining are from the most backward classes and the poor in general. I am sure the Mahatma Gandhi National Rural Employment Guarantee Scheme has played a crucial role in reducing the rural poverty.

Sir, I am closely aware of the shortcomings of the implementation of this scheme. There is enough scope for improvement. But I am also aware that the pressures are being developed from some corners to dilute the scheme in one way or the other, or, for one reason or the other. I strongly disagree with such views.

Sir, some influential mainstream economists in this country spend a lot of their intellectual energy like some politicians in condemning all schemes meant for the poor as sops, doles and electoral gimmicks. They distressingly fail to take into account the fact that at the aggregate level, such extraneous schemes become extremely important, because the mainstream growth process by itself is not able to address the concerns of the poor in the country, particularly when the employment elasticity of growth is declining and due to market imperfections.

Sir, in this context, I would like to quote the Economic Survey, 2011-12. It says, “The critical task of inclusion, (*i.e.* inclusive growth) cannot be left to the free market. The untrammelled laws of the market play an important role in growth and efficiency but, they do not have a natural propensity to reach out to the poor and vulnerable. **“That has to be the responsibility of the Government”.**

Sir, some have criticised the Finance Minister heavily for not containing the fiscal deficit to the promised level of 4.6 per cent of the GDP, which is revised to be 5.9 per cent of the GDP for 2011-12, which we heard just now. What surprises me is that the criticism is so harsh, as if, the fiscal consolidation is the only objective of economic policy. Sir, not much knowledge of economics is required to criticise the Finance Minister or any one for increase in the fiscal deficit. But, in view of the constraints that the Finance Minister explained in his Budget speech, the criticism is fully unfounded and misplaced. Sir, I cannot afford to be naive to even remotely justify the profligacy on the part of the Government. I am convinced that more expenditure does not automatically mean more welfare. It also depends upon the quality of expenditure, transparency, speed of governance, weeding out of vested interests and elimination of leakages in the system. And, yet, since day one, from my days in the Planning Commission, when the FRBM Act was in the making, I have always been surprised as to how in a growing and emerging economy like India with wide poverty, hunger, malnutrition, illiteracy and pervasive inequalities, fiscal deficit could be rigidly

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controlled by legislation, through preparation of annual time-table. One could imagine as to what would have happened to the Indian economy had the Government, ten years ago, strictly followed the time table given by the Tarapore Committee for introducing “full convertibility” of the Indian Rupee, particularly today, when the global financial market is so uncertain, so unstable and so volatile in an unprecedented manner and scale. Sir, if I am not wrong, the Indian economy is still not fully equipped to go for full convertibility, particularly post-2008 global financial crisis. I am addressing to all the mainstream economists, who have spent a disproportionately large energy in criticising the Finance Minister for not containing the fiscal deficit.

Sir, I congratulate the Finance Minister for intending to amend the FRBM Act. I am also happy to know that in the area of expenditure reforms, he has rightly introduced the concept of ‘Effective Revenue Deficit’. Some people have criticised that as a gimmick to which I disagree. That would reduce the consumptive component of revenue deficit and create space for increased capital spending.

Sir, let me come back to fiscal deficit. For 2011-12, the revised fiscal deficit is estimated to be Rs.5,21,980 crore, that is, 5.9 per cent of the GDP. Let us remember that. I repeat again, it is 5.9 per cent of the GDP. But, the critics have distressingly failed to know the accompanying facts. What are the accompanying facts? Sir, available information shows that the total tax revenue forgone due to exemptions, deductions and incentives by the Central Government, as estimated by the Union Finance Ministry, in the year 2011-12 was about Rs.5,29,432 crore, that is, six per cent of the GDP, which was 0.1 percentage point higher than the fiscal deficit. Let alone politicians, not a single serious economist can ignore the fact that the total tax revenue forgone was 0.1 percentage higher than the total fiscal deficit. This is not all. Of this, the revenue of Rs.57,063 crore was forgone only due to tax exemption given for the import of diamond and gold. And some political parties and some sections were demanding that the exemption should be restored. In 2010-11, this amount was Rs.49,164 crore.

I am unable to reconcile to the Finance Minister’s decision of giving exemption on the import of gold and diamond in the preceding two years knowing fully well that exemption once given is hundred times difficult to withdraw.

Besides forgoing revenue, what are the other economic consequences of tax exemptions given for import of gold and diamond? First, the most valuable foreign exchange of the equivalent value was spent, or rather misspent, for this purpose, that would have been used for other productive use. Second, to that extent the current account deficit was widened. The Finance Minister in his Budget Speech had categorically mentioned this, and I quote:

“One of the primary drivers of the current account deficit has been the growth of almost 50 per cent in imports of gold and other precious metals in the first three quarters of this year, that is, 2011-12”.

Third, due to the progressive weakening of the rupee, the better-off sections consider gold as a substitute to financial investment that has been pushing its price to the sky level. Sir, looking at the gold price today, nearly Rs.28,000 crores, sometimes, I take pleasure that I got married before this gold crisis because, I could not have bought even the *mangal sutra* according to the Hindu tradition. It is no more true that the demand for gold is insatiable mainly for the ornamental purposes as in the olden days. Fourth, this has also affected the rates of savings and investment. For instance, the rate of gross domestic saving and that of investment, in 2007-08, was 36.8 per and 38.1 per cent, respectively. These rates declined to 32.3 per cent and 35.1 per cent, respectively in 2010-11. Let us not forget the fact, and I want to emphasise this in the presence of the hon. Finance Minister, that whatever the rate of growth during the last four or five years, say, 8.5 per cent plus, was mainly *consumption-driven and not investment-driven*. For an emerging economy like India, this is certainly not a happy situation. What is most disturbing in this regard was that the Finance Minister was forced to roll back rationalisation of some tax measures with respect to the import of gold and other precious metals despite the adverse consequences that I mentioned above, which he also knows.

Sir, I am also disturbed over the fact that the Finance Minister has postponed to the next year the review of the Double Taxation Avoidance Agreement Treaty with Mauritius. Sir, Indian economy can't depend permanently, as the people argue with some sense of leisure, on Foreign Institutional Investment. By definition it is not money and can fly out any time. It is not desirable for of any stable economy in the changing global financial situation. According to the Department of Industrial Policy and Promotion, cumulative Foreign Institutional Investment inflows from Mauritius into India—we all know the size of Mauritius—amounted to US \$55.20 billion accounting 42 per cent of the total Foreign Institution Investment inflows into the country, making Mauritius the single largest FII source. The foreign investors having presence in Mauritius are legally exempted from the capital gains tax. According to Government's own admission, India is losing annually over 600 million dollars annually, for the 12 year period the amount is being estimated to be about US\$ 7.2 billion.

Of late, the subsidies have rightly emerged as a major contestable issue which the politicians are not discussing. In 2011-12, of the Revised Estimates of total non-Plan expenditure of Rs.8,92,116 crore, subsidies alone accounted to Rs.2,16,297 crore and constituted 24 per cent of the total non-Plan expenditure. Of this, the subsidy on food, fertilizers and petroleum products amounted to about Rs.1.42 lakh crore and constituted 65 per cent of the total subsidy. This invariably contributed to the increase

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in fiscal deficit. Food subsidy comprises four components: support prices to the farmers, transport, storage and distribution charges. All these constitute economic costs and the difference between the economic costs and issue prices of foodgrains constitute foodgrain subsidy. The rising food subsidy bill is also largely due to the continuous increase in the support prices. I want to ask in this House: Which political party—people are talking about widening fiscal deficit and rising inflation rate—can dare say that support prices should not be raised when the cost of production in agriculture is increasing and when productivity is virtually stagnant and lakhs of farmers are committing suicide for the last seven or eight years?

The farming community has been under distress, that makes rise in support prices imminent.

I support the initiatives of the Government to rationalize the prices of fertilizers and petroleum products. The former shall help correct the distortions in the use of fertilizer-mix resulting into over use or rather misuse of urea.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : Please conclude.

DR. BHALCHANDRA MUNGEKAR : I will take only five minutes more.

The same is true about the prices of petroleum products—this is the crucial point on which the Government is being criticized—particularly in view of the facts that about 80 per cent of the country's crude oil requirement is imported and the prices are rising. Second, relatively cheaper kerosene is used for adulteration of the diesel. The inflationary effect of the rise in petrol prices can partly be moderated by rationalizing the tax structure. Diesel should be partly decontrolled in course of time, and be subsidized strictly for public purposes such as transporting food grains. The prices of LPG cylinders should not be raised, but its supply should be strictly regulated to ensure that better-off sections are not subsidized. Kerosene should be made available only on “kerosene coupons” and its potential misuse should be severely punished. I hope, the issue, as usual, is not politicized.

Sir, sound, realistic and rational taxation policy is a major instrument to mobilize resources for economic development and also for distributive justice, that could also help contain fiscal deficit. What is the scenario in the country? Let me quote the figures from the “IMF - Revenue Mobilization in Developing Countries, 2011”. The Tax-GDP ratio in the developed countries like Sweden is 50.1 per cent; Denmark – 49.1 per cent; France – 44.7 per cent; Netherlands – 39.5 per cent; the UK – 37.4 per cent and the USA - 27.3 per cent. Developing countries: Brazil – 34.2 per cent; Ghana – 22.4 per cent and China – 16.6 per cent. What is the situation in India? In India, according to the Economic Survey, 2011-12, the Centre's Tax-GDP ratio in 2011-12 stood at 10.5

per cent and our aim is 13 per cent by the end of the 12th Five Year Plan, that is, by 31st March, 2017. Thus, India is probably the lowest taxed country in the world. I, therefore, fully support raising the service tax from 10 per cent to 12 per cent, that is expected to yield around Rs. 18,660 crores and I find no reason for any fuss on that front. Even its potential inflationary impact and regressive character cannot be used as an excuse for not raising the service tax. The share of services sector in GDP in 2011-12 was 59 per cent, while the proportion of the services tax in the GDP was abysmally low at 0.9 per cent and it has continued to remain so almost since 2006-07.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : Please conclude.

DR. BHALCHANDRA MUNGEKAR : Sir, just one minute more.

If we do not adopt some of the urgent economic measures, I apprehend that we are awaiting a bigger economic crisis.

In order to bring food inflation under control, we have to urgently manage the structural imbalance. Having said this, I must say that if inflation has to be permanently controlled, we have to adjust ourselves to about six-seven per cent inflation.

With questionable relevance of the recommendations of the Bretton wood twins, the World Bank and the International Monetary Fund, from the viewpoint of the emerging economies, I appreciate the BRICS countries' recent decision to establish World Bank-like organization for financing their infrastructure development. I also congratulate the Government for taking firm stand with respect to import of oil from Iran disregarding the contrary suggestion of Mrs. Hilary Clinton, Secretary of the State. Our total annual trade with Iran amounts to about US\$ 14 billion.

Mr. Vice-Chairman, Sir, securing faster and sustainable growth in the fast changing and complex world environment is indeed a great challenge. But still greater challenge is to make growth truly inclusive in a highly differentiated, in-egalitarian and exclusive society like India. The ultimate aim of our socio-economic policies must be to increasingly share the benefits of economic growth with the toiling masses.

Sir, America is presently facing a dilemma of one per cent vs. 90 per cent. Let us avoid the dilemma between 25 per cent and 75 per cent. Thank you.

श्री वीर सिंह (उत्तर प्रदेश) : उपसभाध्यक्ष महोदय, आपने मुझे बहुजन समाज पार्टी की ओर से वित्त विधेयक 2012-13 पर बोलने का अवसर दिया, मैं इसके लिए आपका धन्यवाद देता हूँ। किसी भी देश के विकासशील होने का प्रमाण उस देश के बजट से ही मिलता है। भारत का लोकतंत्र दुनिया में मजबूत हुआ है, जिसे हमने 60 वर्ष पूरे होने पर 60वीं वर्षगांठ के रूप में मनाया है।

लेकिन, भारत सरकार का बजट आज देश को खुशहाली व प्रगति के पथ पर ले जाने में असमर्थ लग रहा है। 2012-13 के आम बजट को पढ़ने के बाद ऐसा लगता है कि यह बजट देश के पूंजीपतियों, उद्योगपतियों के फायदे के लिए बनाया गया है तथा इस देश में रहने वाले गरीब लोग तथा अनुसूचित जाति व जनजाति के लोग इस बजट से अपने को ठगा हुआ महसूस कर रहे हैं।

[श्री वीर सिंह]

मान्यवर, भारतवर्ष कृषि प्रधान देश है। देश के 70 प्रतिशत लोग कृषि पर निर्भर करते हैं, लेकिन आज कृषि का, जी.डी.पी. में मात्र 14 प्रतिशत का योगदान रह गया है, जिसके फलस्वरूप यह असंतुलन पैदा हो रहा है। आज 70 प्रतिशत से ज्यादा लोग ग्रामीण क्षेत्र में रहते हैं तथा कृषि पर निर्भर करते हैं। कृषि आज जीवन-मरण का प्रश्न बन गया है। आज केवल आन्ध्र प्रदेश के तेलंगाना, महाराष्ट्र के विदर्भ क्षेत्र के ही नहीं, बल्कि सारे देश के किसान परेशान व बेहाल हैं। कहीं सूखा पड़ रहा है, तो कहीं ओलावृष्टि हो रही है और कहीं बाढ़ का प्रकोप है, इसलिए किसानों को दी जाने वाली राज्य सहायता बढ़ानी चाहिए व उनकी मदद करनी चाहिए, जिससे वे प्राकृतिक आपदाओं से निपट सकें व अपना सही जीवन-यापन कर सकें। किसानों को आधुनिक कृषि यंत्र, उन्नतशील बीज व उर्वरक भी सस्ते दामों पर व समय पर उपलब्ध करायें जाएं।

महोदय, किसान देश का अन्नदाता कहलाता है। वह कड़ी ठण्ड, धूप और बरसात में रहकर अनाज पैदा करता है, किन्तु उसको अपनी फसल का वाजिब दाम नहीं मिलता है। जब किसान अपने अनाज को बेचता है तो उसका मूल्य बहुत सस्ता होता है, लेकिन जब वही अनाज मार्केट में, व्यापारी के पास चला जाता है तो उसका दाम बढ़ जाता है और किसान हाथ मलता रह जाता है।

मान्यवर, मैं आपके माध्यम से यह बताना चाहूंगा कि देश के कुछ प्रांतों में गन्ने की खेती होती है, लेकिन पूरे देश में किसान को गन्ने का वाजिब भाव नहीं मिलता है। सिर्फ उत्तर प्रदेश में, बहुजन समाज पार्टी की राष्ट्रीय अध्यक्ष, उत्तर प्रदेश की पूर्व मुख्य मंत्री एवं इस दल की नेता ने गन्ने का दाम 250 रुपये प्रति क्विंटल किया था, जोकि किसानों को मिला था। गन्ने की इस बढ़ी हुई कीमत से उत्तर प्रदेश के किसानों के चेहरे पर मुस्कान व खुशहाली आ गई थी। अन्य प्रदेशों में गन्ने का भाव बहुत कम है और उन किसानों को गन्ने का वाजिब मूल्य नहीं मिल रहा है, इसलिए उत्तर प्रदेश की तरह, हर प्रदेश में उनको गन्ने का पूरा मूल्य मिलना चाहिए।

मान्यवर, जब कभी सूखा पड़ता है या बाढ़ आती है, तो किसानों को राहत सहायता मिलती है। किसानों को तो राहत सहायता मिल जाती है, किन्तु जो खेतिहर मजदूर होते हैं, जो खेती से जुड़े होते हैं, उनको कभी कोई सहायता नहीं मिलती है। जब भी कभी ऐसा कोई प्राकृतिक प्रकोप आता है या फसल मारी जाती है, तो जो खेतिहर मजदूर होते हैं, उनको भी उसी प्रकार से मुआवजा मिलना चाहिए, जिस प्रकार से किसानों को मिलता है।

मान्यवर, मैं आपके माध्यम से माननीय मंत्री जी को अवगत कराना चाहूंगा कि आज हमारे देश में आवास की सबसे बड़ी समस्या है। आज इंसान के लिए रोटी, कपड़े के साथ-साथ आवास भी बहुत आवश्यक हो गया है। आज पूरे देश में यह एक बहुत बड़ी मूलभूत समस्या है। करोड़ों ऐसे लोग हैं, जो जुल्म-जबर्दस्ती के कारण देहातों से, गाँवों से शहरों की तरफ, बड़े-बड़े महानगरों की तरफ पलायन कर गए हैं। आज करोड़ों लोग, बड़े-बड़े महानगरों में कहीं रेल की पटरी के किनारे, कहीं गन्दे नाल के किनारे झुग्गी-झोपड़ी डालकर अपना जीवन व्यतीत कर रहे हैं। केंद्र सरकार ने आज तक उनकी तरफ कोई ध्यान नहीं दिया है। मैं आपको बताना चाहूंगा कि आदरणीय बहिन मायावती जी ने अपने मुख्यमंत्रित्व काल में उन गरीबों के लिए, जो शहरों में रहते हैं, एक विशेष योजना चलाकर सराहनीय कार्य किया है।

मान्यवर, श्री कांशी राम शहरी गरीब आवास योजना चला कर महानगरों, शहरों में रहने वाले हर वर्ग के गरीब व्यक्तियों को मकान बना कर दिया गया। जब उन झुग्गी-झोपड़ी में रहने वाले, गन्दे नाले के किनारे रहने वाले, रेल की पटरी के किनारे रहने वाले गरीबों को, लाखों लोगों को, हर वर्ग के व्यक्ति को मकान मुहैया कराया गया, तो उनके चेहरे पर भी मुस्कान आ गई, क्योंकि उनको भी एक छत मिली। मैं निवेदन करना

चाहूँगा कि जैसे उत्तर प्रदेश में लाखों लोगों को, शहरों में रहने वाले गरीब लोगों को मकान मुहैया कराया गया है, उसी तरह केन्द्र सरकार हर प्रदेश में ऐसी योजना लागू करे, जिससे महानगरों में झुग्गी-झोपड़ी में रहने वाले लोगों को आवास मिल सके।

मान्यवर, केन्द्र सरकार की तरफ से मनरेगा नामक एक योजना चलाई जा रही है। इस मनरेगा कार्यक्रम के ऊपर सरकार द्वारा समय-समय पर काफी बढ़ा-चढ़ा कर चर्चा होती है। यह कह कर इसकी तारीफ की जाती है कि इस योजना के तहत देश के गरीबों का बहुत भला हुआ है। मान्यवर, मैं आपके माध्यम से कहना चाहूँगा कि इस मनरेगा योजना से कोई बड़ा फायदा नहीं हुआ है। यह योजना पूरी तरह से फ्लॉप हो चुकी है। 2010-11 के बजट में मनरेगा के लिए करीब 39 हजार करोड़ धन का आवंटन किया गया था, जबकि इसको 2011-12 में घटा कर 37 हजार करोड़ कर दिया गया। बजाय बढ़ाने के इसको घटा दिया गया। इसको बढ़ाना चाहिए था, लेकिन इसको घटा दिया गया। इसका मतलब मनरेगा के नाम पर मखौल किया जा रहा है, मजाक बनाया जा रहा है।

मान्यवर, इसके साथ-साथ मैं आपके माध्यम से माननीय मंत्री जी को बताना चाहूँगा कि केन्द्र सरकार ने मनरेगा के तहत गाँव में रहने वाले गरीब मजदूरों को 100 दिन के रोजगार की बात कही है। एक साल में 365 दिन होते हैं, जबकि रोजगार सिर्फ 100 दिन का। 265 दिन आदमी बेरोजगार रहेगा, उसको सिर्फ 100 दिन मजदूरी मिलेगी। इसका मतलब वह न इधर का रहा, न उधर का रहा। इन 100 दिनों में भी कितनी मजदूरी? जैसे उत्तर प्रदेश में 2010-11 में यह 100 रुपए थी और 2011-12 में इसको बढ़ा कर 130 रुपए प्रति दिन कर दिया गया। क्या 130 रुपए में वह अपना गुजारा कर पाएगा? वह भी उस गाँव के सरपंच या प्रधान के रहमोकरम पर है। जो पक्ष उसको सरपंच या प्रधान के चुनाव में वोट देता है, उसी को मजदूरी मिलती है। ...**(व्यवधान)**... यह गाँवों में प्रधान के द्वारा ही किया जाता है। आपके यहाँ सरपंच कहा जाता है, हमारे यहाँ प्रधान कहा जाता है। यह उसी के रहमोकरम पर है। जो लोग उसे वोट देकर सरपंच या प्रधान बना देते हैं, उनको काम मिल जाता है, बाकी लोगों को काम नहीं मिल पाता है। मैं यह निवेदन करूँगा कि जो 130 रुपए मजदूरी दी जा रही है 100 दिन के लिए, इसको 100 दिन के बजाय 365 दिन किया जाए और इसको 130 रुपए से बढ़ा कर कम-से-कम 250 रुपए किया जाए।

मान्यवर, पूरे देश में बीपीएल की समस्या है। बीपीएल के माध्यम से गरीब लोगों को चिन्हित किया जाता है। पूरे देश में अभी भी बहुत से गरीब लोग ऐसे हैं, जिनके पास बीपीएल का कार्ड नहीं है। हर प्रदेश से समय-समय पर माँग उठती रही है कि इसका सर्वे कराया जाए और सर्वे करवा कर बीपीएल का कार्ड बनाया जाए। यदि सही ढंग से बीपीएल का कार्ड बनेगा, तो काफी हद तक समस्या का समाधान हो जाएगा।

मान्यवर, योजना आयोग की सर्वे रिपोर्ट को देख कर तो ऐसा लगता है कि देश के गरीबों के साथ उपहास किया जा रहा है। सर्वे रिपोर्ट में गाँव में रहने वाला 26 रुपए में और शहर में रहने वाला 32 रुपए में अपना खर्चा चला सकता है। इसका मतलब तो यह हुआ है कि पूरे देश में कोई गरीब ही नहीं बचा। आप 130 रुपए एक दिन की मजदूरी दे रहे हैं, जो कि कम से कम है और 250 रुपए वह कमा रहा है, फिर आप कह रहे हैं कि वह 26 रुपए या 32 रुपए में अपना खर्च चला सकता है। यह कैसी रिपोर्ट है? इस पर क्यों नहीं ध्यान दिया जा रहा है? सरकार ने इस पर उनसे क्यों नहीं जवाब मांगा कि यह कैसी रिपोर्ट है?

मान्यवर, आज हमारे देश में महंगाई एक बहुत बड़ा मुद्दा है, बहुत बड़ी समस्या है, हर क्षेत्र में महंगाई ने त्राही-त्राही मचा रखी है। यूपीए सरकार के द्वारा डीजल, पेट्रोल, गैस और केरोसिन की कई बार कीमत बढ़ाई गई, जिससे गरीब परेशान हैं। इतनी कीमतें बढ़ाई गई हैं कि गरीब का चूल्हा ठंडा हो गया है, उसकी थाली से इस सरकार ने रोटी छीन ली।

[श्री वीर सिंह]

मान्यवर, हमारे देश में इतना गेहूं का उत्पादन होता है, इतना चावल का उत्पादन होता है कि वह हमारे देश की आबादी से कहीं अधिक ज्यादा है, किन्तु जब सरकार के द्वारा उसको खरीदा जाता है और खरीद कर भंडार में रखने का समय आता है, तो उसके लिए भंडारण की व्यवस्था ही उपलब्ध नहीं होती है, जिसके कारण अनाज सड़ जाता है, गल जाता है। 2011-12 की सरकारी रिपोर्ट के अनुसार 5,500 करोड़ रुपए का अनाज गल गया। माननीय उच्च न्यायालय को इसमें दखल देना पड़ा और कहना पड़ा कि आप जो अनाज सड़ा रहे हैं, उसको गरीबों में क्यों नहीं बांट देते हैं। फिर भी सरकार नहीं चेती। (...समय की घंटी)। अभी तो एक मिनट बाकी है।

उपसभाध्यक्ष (प्रो. पी.जे. कुरियन) : हां, आपका एक मिनट बचा है।

श्री वीर सिंह : आप एक मिनट के बाद घंटी बजा लेते। ...**(व्यवधान)**... मान्यवर, यदि यह अनाज गरीबों को दिया जाए या सड़ने से बचाया जाए, तो इससे कितने ही गरीबों का भला हो सकता है। यह यूपीए की सरकार गेहूं सड़ाने के लिए तो तैयार है, किन्तु उसको गरीबों को देने के लिए तैयार नहीं है। एक तरफ तो यह सरकार गरीबों की बात करती है और दूसरी तरफ गरीबों के साथ अन्याय करती है।

मान्यवर, आज हमारे देश में शिक्षा का बड़ा अभाव है। आज हमारे देश में शिक्षा की दोहरी प्रणाली है। एक तरफ गरीबों के बच्चे सरकारी स्कूल में पढ़ते हैं, जिसका भवन भी सही नहीं होता है, बैठने की जगह भी सही नहीं होती है और अध्यापक भी उपलब्ध नहीं होते हैं और दूसरी तरफ अमीरों के बच्चे कॉन्वेंट स्कूल में पढ़ते हैं। जब नौकरी की बात आती है, तो बोलते हैं कि एक जैसे अंक आने चाहिए। अगर एक जैसे अंक की बात करते हैं, तो आपको उनको पढ़ाने की व्यवस्था भी एक जैसी करनी चाहिए। उनके लिए पढ़ने की सुविधा तो है नहीं, लेकिन जब सलेक्शन की बात होती है, तब कहते हैं कि एक जैसा होना चाहिए। रिजर्वेशन की जो बात होती है, उसको भी पूरा नहीं किया जाता है। आज पूरे देश में backlog पूरा नहीं है, जिसके कारण हर विभाग में तमाम पद रिक्त पड़े हैं, उनको भी नहीं भरा गया है। मैं चाहूंगा कि जो अध्यापकों की कमी है, भवन की कमी है, उनको पूरा किया जाए।

इसके साथ-साथ, मैं आपको बताना चाहूंगा कि Special Component Plan के तहत SC, ST के लिए जो 750 करोड़ रुपए था, उसको कॉमनवेल्थ गेम में खर्च कर दिया गया। जब यह बात हमारी पार्टी ने उठाई थी, तब माननीय मंत्री जी ने आश्वासन भी दिया था कि SC, ST के लिए जो पैसा था, उसको वापस कराया जाएगा। मैं माननीय मंत्री जी से यह पूछना चाहूंगा कि SC, ST का जो पैसा कॉमनवेल्थ गेम में खर्च किया गया था, वह वापस किया गया या नहीं किया गया?

इसके साथ-साथ, आज हमारे देश में स्वास्थ्य की बहुत बड़ी समस्या है। हमारे देश में डॉक्टरों की कमी है। गांवों में जब आदमी बीमार पड़ता है, तब शहर तक जाते-जाते उसकी मृत्यु हो जाती है। यहां तक कि शहर तक जाते-जाते कभी-कभी किसी महिला की डिलीवरी भी रास्ते में हो जाती है और ऐसे में कभी-कभी उसकी मृत्यु भी हो जाती है। सर्वे रिपोर्ट के आधार पर एक हजार की आबादी पर एक डॉक्टर होना चाहिए, किन्तु दो हजार की आबादी पर भी एक डॉक्टर नहीं है, क्योंकि डॉक्टरों की काफी कमी है। मैं निवेदन करूंगा कि सरकार को स्वास्थ्य की तरफ पहल करनी चाहिए और गांवों में रहने वाले लोगों की तरफ भी ध्यान देना चाहिए। ...**(समय की घंटी)**...

मान्यवर, मैं यही निवेदन करूंगा कि देश में अनुसूचित जाति एवं अनुसूचित जनजाति के जो गरीब लोग हैं, उनके स्वास्थ्य के बारे में, उनकी शिक्षा के बारे में, उनके आवास के बारे में, उनके सामाजिक, राजनीतिक एवं आर्थिक उत्थान के बारे में बजट में प्रावधान किया जाए। धन्यवाद, जय भीम, जय भारत।

SHRI TAPAN KUMAR SEN (West Bengal) : Sir, I rise to make my observations on the Finance Bill and the Appropriation Bill, though with a little bit of frustration. I believe and, probably, the Government would also believe, that the need of the hour is to plug the loopholes and rein in tax theft, tax evasion and black money generation. I believe, when the Budget and the Finance Bill was prepared initially, they did try to build in an architecture to deter such kinds of tax theft and tax avoidance, but, unfortunately, as the Finance Bill was being considered in Parliament, one by one, all parts of that deterrent architecture got dismantled, sending a message to a bunch of thieves to have a go at the public exchequer, and to go on evading tax. That was the message being given to the speculators and manipulators, and both international and domestic corporate players. That is how the Bill was taken up with the introductory announcement of the hon. Finance Minister. It is abjectly frustrating.

Sir, the gist is that amendments were proposed to dilute the general anti-avoidance rules, for modification in the retrospective Income-tax amendment, diluting many provisions, cut in long-term capital gains tax on private equity, cut in withholding tax on foreign borrowings and withdrawal of tax on property transactions, and all these are to make the Foreign Institutional Investor, merger-acquisition brokers, stock-market manipulators and real estate players happy. Is there any reason for the Parliament or the people of the country to be happy over this kind of indulgence in financial crime? I must say, no other word can describe it absolutely because these are all financial crimes. Tax evasion is a financial crime. You have dismantled all the deterrence; you have made a non-bailable offence a bailable one. And you are giving the message, 'go on committing the crime on the country's economy'. That is the most frustrating thing and I strongly oppose that.

Sir, the entire concern is to make the manipulators happy. That is the hallmark of the entire economic policy regime and that is the message the Finance Bill gives. The whole concern is to bow down to the pressure from the FIIs, speculators and manipulators. There is no concern for the people of this country. Only out of that concern, you have dismantled all restrictions on tax evasion. But, on the contrary, when from within your own Government, a request is made to reduce the excise duty on petroleum by six rupees per litre, which, at present is Rs.14 per litre, in a situation where for every one rupee petroleum price, fifty paise is the tax burden, in that situation, when a request comes, not from the Left, not from the Opposition, but from within your Government, to make the common people happy, you ignore that, and while ignoring that, you put further burden on them. You add an increased cess to the crude oil produce in the domestic market, that is, ONGC and Oil India. From Rs. 2500, you increase it to Rs.4500 and finally, that burden gets passed on to the consumer. It puts an additional burden of Rs.5000 crores on the common people. You are lessening the burden on the FIIs, the manipulators and the speculators and you are increasing the

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burden on the people by refusing the request of the Petroleum Ministry to reduce excise duty on petrol and also, by adding an additional burden of Rs.2000 per ton on crude oil, which would ultimately be borne by the consumer.

What is this cess for oil industry development? In 1974, this cess was imposed for the development of the oil industry, through the Oil Industry Development Board. Till December, 2011, Mr. Vice-Chairman, Sir, the cess collected was Rs.99,428 crores. Out of this Rs.99,000-plus crores, how much has gone to the OIDB? Only Rs.902 crores. The rest is consumed by the revenue expenditure. Is that fair? Will that speak of financial prudence? Sir, it is absolutely shameful. The manner in which the common man's issues are treated and tackled by the Government is shameful. Their entire concern is for the business lobby, for the investors' lobby, the manipulators' lobby, by taking 99 per cent of the people of country to hell. I seriously disagree with my friend, Shri Mungekar, on that side. Not an iota of Keynesianism, no trickling down is possible through this Finance Bill. Rather, you may find that infamous Milton Friedman with this infamous theory of trickling down, "Pumping for the haves but don't bother about the have-nots; it will not trickle down to the have-nots." Sir, I seriously oppose this with all the might at my command. These roll backs were not asked by your coalition partners. These roll backs were not asked by the opposition partners. What is the compulsion? It is the corporate compulsion. It is the business compulsion. Otherwise, you have an alternate route—by reducing the petroleum price, you can tax on the windfall profits gained by the stand-alone refineries in the private sector who are earning crores of rupees by selling in the international markets. They are not catering to the internal market. If Australia can impose export duty on coal for its own resource mobilization, why not we impose duty on exports of petroleum and iron ore for our resource mobilization? Why can we not? If Brazil and South Korea can impose similar tax on derivatives, impose tax on FII transactions, why can we not? What is our compulsion to make a non-bailable offence a bailable one, to make a financial crime legitimate, which cut into our own economy? Why? Precisely, the same approach is reflected everywhere.

Sir, let me talk about 5 crore productive workers. You have reduced their PF interest rate from 9.5 to 8.25 per cent, unilaterally. The workers do not have business dailies to plead their case. They do not have FIIs or corporates to plead their case. They have to plead their case themselves. Why should you not consider raising the rate to the earlier level, at least, above the GPF rate of interest? At the time of my Budget intervention, I had demanded a consideration on this without ignoring it. I seek a reply to this question. I am ready to hear even a 'no'. But, do not skirt the question. What are you going to do on the employees' pension scheme? The Parliamentary Standing Committee on Labour made a unanimous recommendation to the Government

to contribute at least half of the employee's contribution, at 4 per cent. It was a unanimous recommendation; it is a political consensus. You are talking so much for the same political consensus on reforms. I think, the hon. Finance Minister, while replying to the debate, will again appeal to the Opposition, "Please, let there be a consensus for reforms." But, for the pro-worker reforms, when there is already unanimity, why are you not implementing it? What is the monetary implication of Government's contribution towards the pension fund? It is just Rs.4,000 crores. Is it heavier than the direct tax concession you have given to the tune of Rs.4,500 crores to a handful of corporates? The relief under direct tax relief is given to a maximum of 50,000 or 70,000 persons. But, by giving this just Rs.4,000 crores relief on the pension fund, you will benefit 5 crore workers, who are actually making your GDP grow; it is not those 50,000 people who are taking your direct tax concession. Whom do you give priority? Is it for the 50,000 people or 5 crores? Please make it clear. Please reply to this question and debate on it. With whom are you standing? With the 50,000 is business or the 5 crore workers who are making the GDP grow?

Sir, I demand that the Government must enhance its contribution to the Pension Fund; the Government must ensure that the Rural Bank employees get the same pension as the sponsor bank. They are the part of it. They are agitating over this issue. You must reply to this question. Sir, there is precisely the same bias against the 99 per cent. In favour of just one per cent of the population, this approach is reflected in every line and in the entire body of your Finance Bill. That is why you give a relief of Rs.4,500 cores in Direct Taxes to 50,000 persons, and you suck billions of persons by putting ten times more burden on them on account of Indirect Taxes to the tune of Rs.45,940 crores. In this way, you are burdening billion by ten times more, and you are giving a relief of Rs.4,500 crores to a handful of corporates. The same bias is reflected in your entire tax management. You are giving concessions to only those who are already indulging in tax default and tax theft, which is a financial crime. As per your CAG Report, from 2005 to 2010, tax default has increased by 135 per cent. From 2009-10 to 2010-11, there is another tax default increase of 38 percent. You are allowing deliberate tax default to these communities by not collecting the tax, and you have allowed to accumulate the tax default to the tune of rupees three lakh crores. Whose money is it? Is it anybody's personal money? You are here to govern the country. This is the business of your governance. Instead of that, you are patronizing tax thefts, sitting in the seat of governance. You are dismantling the deterrence to tax thefts and financial crimes. From this seat, I accuse the Government of this. Why are you allowing tax thefts? Why are you patronizing deliberate tax defaults, and, then lamenting on resource crunch, and, then opening the floodgates of the country's economy to the manipulators of foreign investors, FIIs. In this way, you are provoking a similar situation which the entire Western economy is facing today. This is the market fundamentalism, as against orientation towards the people, that this Government is suffering. I demand that they need to be changed.

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Sir, the Government has set a target to prune the subsidy to 1.75 per cent on the billion of common people. What is your target to cut the tax thefts? What is your target for that rupees three lakh crores' accumulation? What is the target for your collection? Come out with a clear reply. Because they are one per cent, because they are closer to your power corridors, how long will you allow them to commit this financial offence? You must come out with a clear reply. At the same time, my humble suggestion is this. Why should we not tackle them in the same line with the common people? When the common people pay tax, what do they do? They pay first, according to the...

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : Now, please conclude.

SHRI TAPAN KUMAR SEN : I am concluding, Sir. According to the tax authority, they pay first; then, they lodge a claim for refund. You treat them the corporate defaulters on the same path. They are all citizens of the country. That is the constitutional mandate. You make the same system applicable for them also. That is the only way to tackle deliberate tax default. There is no other way than this.

Sir, at the end, I would like to say this. When the demand of the situation is to address the grave employment situation in the country, my friend, Dr. Mungekar, who is not here, was talking loud about the Eleventh Plan achievements. What have you achieved in the Eleventh Plan? Yes, you have achieved a respectable GDP growth of 8.6 per cent per annum. But, on employment front, from 2000 to 2005, employment generation growth was 2.7 per cent. During the Eleventh Plan period, despite having 8.6 per cent annual average growth, your employment generation has gone down to 0.8 per cent. No Keynesianism here, Mr. Mungekar,...

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : No, no; you don't have to address Mr. Mungekar. You address the Chair.

SHRI TAPAN KUMAR SEN : Sir, this is my last point. I have finished.

I missed many points.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : You have said many points. ...*(Interruptions)*...

SHRI TAPAN KUMAR SEN : There is a need for reversal of this pro-gambler policy in favour of pro-employment generation. Do not consider your *, the manipulators in the foreign and domestic money market. Please do the employment generation. You need to take the call from the Left ...*(Interruptions)*...

* Expunged as ordered by the Chair.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : You have taken extra five minutes. ...(*Interruptions*)...

SHRI TAPAN KUMAR SEN : Just allow me for two minutes, Sir. Please do not take the call from the Left; you take the call from within your party, within your Government. You take the call, however feeble it may be than your FII lobby, for cutting down the petroleum tax and not go in for FDI in retail. You must tell me that by playing on our national resources, oil and gas fields, by Reliance, British Petroleum deal and Cairn Vedanta deal 15 billion dollars were earned.

How much has come to your exchequer, please come out. Please see that FDI in retail is not allowed. Please see the contractors are not allowed to extract illegitimate premium from the natural and national resources of the country. ...(*Time-bell rings*)... And they should not be allowed to cheat the country through the loopholes of Double Tax Avoidance Agreement which is nothing but an instrument of recycling the black money in the country. Please do not allow that to happen. Please do not take the call from us, but take the call from within in order to save the country. ...(*Interruptions*)... With this, I want a total reversal of the policy and conclude. Thank you.

SHRI N.K. SINGH (Bihar) : Thank you very much, Mr. Vice-Chairman, Sir. It is now 60 days that the Budget-2012 was presented. The economic outlook even during the short period of 60 days has deteriorated further. Since the Finance Minister is so fond personally of reading Shakespeare with some amount of interest, one cannot but recall in Hamlet itself in which Horatio utters his utter desperation but with imagination. Of course, the Finance Minister has come up with very imaginative solutions but would perhaps be suffering from desperation that none of these suggestions have so far fructified. In fact, they are continuing in the same strain of Hamlet speaking of the moral decline and corruption in the State of Denmark. Marcellus had remarked that there is something rotten in the State of Denmark. Perhaps the analogy is clear enough to be understood. While we are still on the continuing strain of the Shakespeare, one cannot but recall what in Julius Caesar, Shakespeare had said, "Men are at some time masters of their own fate. The fault dear Brutus is not in our stars, but in ourselves that we are so helpless." The helplessness of the Finance Minister to craft a strategy which is credible enough to address the deteriorating micro economic environment is a telling story of a line which I have just quoted from Julius Caesar of Shakespeare. In fact, if you look at the last 60 days, look at the broad facts and perspective, look at the key micro economic parameters, first and foremost, long-term saving rates have declined, from 36.8 per cent to just 31 per cent, according to the annual statistics of the Central Statistical Office which has just been released. This is indeed lower, therefore, the investment gearing ratio, which will make a climb back with a high growth trajectory, if not impossible, but, certainly very, very difficult. The fiscal deficit remains uncorrected with little twilight in the sky because given the deceleration in growth,

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given the lower rate of expected realisation from declining tax buoyancy, given the likelihood of lower disinvestments and given the fact of hesitation, Mr. Finance Minister, your colleagues prompt you not to bite the bullet, the chances of the fiscal deficit being corrected remain very grim.

To compound this problem, Sir, the borrowing programme of the Government this year, which is entailing a borrowing of Rs.5.6 lakh crores for this fiscal year, which is 1.52 lakh crores higher than the borrowing target for the last year, completely cramps the room for financing of credible private investment. The other deficit, Sir, remains equally problematic, namely, the Current Account Deficit, which has now crossed four per cent of the GDP. Given the fact that exports, year on year, fell from a credible 11.5 per cent to -5 per cent in the figures of March released last year and given the fact that imports continue to remain very robust and the import penetration continues to be very high and given the fact, Sir, that, as opposed to last year, the decline in the reserves has been 7.1 billion during April-December, 2011, financing, Sir, of this Current Account Deficit remains problematic. In fact, the Finance Minister, your very good friend, and also a good friend of mine, only last week in Mexico, while attending a Think Tank, Larry Summers and Pascal Lamy told me that India's problem is not the high Current Account Deficit; India's problem would be the mode of financing this Current Account Deficit and the either of the two options, of lowering its reserves which could become vulnerable or financing this Current Account Deficit through volatile FII flows, is, something, which can further compound the problem. To add to the worries, Sir, inflation has begun to show its ugly heads, which circumscribes the flexibility of the Central Bank to further moderate its monetary policy.

The manufacturing sector, Sir, as you know, remains in doldrums, the services sector remains subdued and hopes on agriculture are tenuously pinned on the fact that the El Nino is not replaced by La Nina in the last year's Monsoon phase, which will, then, make, therefore, agricultural growth some more problematic. To make matters worse, Sir, the successive lowering of the investment rating by Standard & Poor increased the cost of borrowing and increased access to external funds even more difficult. This will further deepen investors' skepticism and continue to give negative signals to investors' community, both in India and abroad. These, Sir, are the configurations, broadly, of the macro-economic scenario.

I am not a prophet of doom; I have continued to be an optimist. I continue to have immense faith on your ability to craft the magic, pull out a rabbit from your hat, since Finance Ministers are known to pull out rabbits from their hats. Let me, at this point, therefore, make eight suggestions for your consideration. First and foremost, Sir, yes, the postponing of GAAR was positive, but the world is yet to reconcile itself with the

fact that not necessarily legal, but moral, retrospective taxes to rectify judgements of the Supreme Court have queered the pitch and lent uncertainty in the minds of the investors' community. Sir, I do not know your experience in Washington with Tim Geithner and others, but my experience with Larry Summers, Pascal Lamy and a host of other investors suggests that their sentiments remain frail and they remain anxious. I would suggest for your consideration, Sir, the constitution of an Investment Commission with domain experts to actively engage in a dialogue with the investor community to allay their fears and to encourage their tangible investments. Whenever I travel abroad, Sir, I am also asked the question: what will happen if the Government were to change? Is there likely to be a continuity of Economic Policy? I would, therefore, suggest this for your consideration. Just like many other countries have done, you could also consider setting up a Bipartisan Committee of Parliamentarians to allay investors' concerns, since the India's growth story is too important and the India's growth story must go beyond partisan politics. So, an Investment Commission and a Bipartisan Growth Commission to hold dialogue with investors could be a credible step forward.

Secondly, Sir, no words can substitute action.

You must begin to bite the bullet. I leave the timing to you, I leave the choice to you, I leave the sequencing to you, but not biting the bullet is not an option or a luxury, Mr. Finance Minister, which you have at this moment.

My third suggestion, Sir, is this. You promised in Washington, in April, 2012, of the impending legislations on banking, insurance and pension reforms. In fact, just to remind you, Mr. Finance Minister, the Prime Minister had made this promise exactly seven years ago, again in April, 2005. The fact that the Cabinet postponed the decision and did not bring these legislations forward during the current Session of Parliament in spite of a strong bipartisan support, which you have on these legislations, is a matter which cannot fill any of the investor community with comfort.

My fourth suggestion is this. You must not delay the constitution of a Debt Management Office and you must not further delay the implementation of the Rangarajan Committee Report on the classification of Government accounts.

Then, Sir, I come to my fifth suggestion. Just to remind you, you had very kindly agreed to a suggestion made in this House by some hon. Members, including myself, when I ventured to make this suggestion. I am grateful that you accepted the constitution of a Chief Ministers' Committee for Eastern India on Agriculture. This Committee, Sir, is yet to be constituted, and, perhaps, it would be a fulfilment of an assurance given by you during the Budget speech. I will be grateful if this could be done.

[SHRI N.K. SINGH]

Also, Sir, since the Central Government has happily crossed the FRBM limits prescribed, this degree of flexibility, during difficult transition period, could be given to some States, including poor disadvantaged States like Bihar.

Coming to my sixth point, Sir, you know very well that at the end of it, all expenditure must result in credible implementation. The time and cost overruns and the efficacy in Government expenditure, when in over 300 projects, costing over Rs. 100 crores, is facing huge time and cost overruns; they are not easy problems to solve. There are problems of coordination. There are problems of inter-departmental coordination. There are problems of coordination with federal Governments. Consider, Sir, the constitution of a Chief Ministers' Economic Council—since the Centre-State Council remains a dead letter—to be headed by you, which could look into some of these problems of difficult project implementation, and also of a coordinated framework in a federal polity.

Now, I go on to my seventh suggestion. With regret, I have to say that this has been an era of jobless growth, an era in which high rates of economic growth have not been matched by a growth in employment coefficients to take care of the backlog in employment, much less, the accretion of people to the new labour force. Consider, Sir, the constitution of a Cabinet Committee on Employment to really take care of employment trends, to monitor employment creation, to monitor job creation and to periodically report to Parliament.

Eighth, and my final suggestion, Sir, is that policy paradigms of a Central Banker are always riddled with a difficulty in fulfilling the impossible trinity, the impossible trinity of a free monetary policy, a free exchange rate regime and a moderating inflation. You, Mr. Finance Minister, face a different kind of an impossible trinity, the impossible trinity of reconciling austerity with growth, fiscal rectitude with populist expenditure and moderating subsidies while benchmarking with best global practices. Sir, you need to reconcile these in a manner that the 'India Growth Story' can be reinvigorated.

Finally, Sir, if I may say so, media is flooded, with stories—and you must be undergoing this yourself—of your impending elevation. I see, Sir, that you are caught up in the miasma of yet another Shakespearean saying “to be or not to be”. If you are to be, Sir, leave behind a legacy, even over the next two months, which addresses the serious macro economic concerns and puts India back on the high growth trajectory by taking actions which are credible and decisive. If you are not to be, then the task is even more rigorous of consolidation and true reckoning of what are immediate economic measures necessary to restore the investor confidence and revive the magic of India. Thank you, Sir.

4.00 P.M.

SHRI D. BANDYOPADHYAY (West Bengal) : Sir, it is always very difficult to follow Nandu Singh. I can call him by his name as he has been a friend for the last, perhaps, 40-45 years.

Sir, my point is slightly different. I rise to support the Appropriation Bill and the Finance Bill. I do so, not because I happen to be an ally of the UPA, but because I think it is ethically necessary to do so.

Sir, I must congratulate the hon. Finance Minister, at the outset, for having shown the human face in the Ministry of Finance. A Minister of Finance, as he said, is basically cruel; he hardly ever has a kind face. But the Minister has shown that in withdrawing the duties on gold ornaments, by ensuring one-and-a-half crore employment for workmen, and today, he has given some waivers, which are likely, or not likely, give impetus to the investment climate.

[THE VICE-CHAIRMAN (DR. E.M. SUDARSANA NATCHIAPPAN)
in the Chair]

Sir, I do congratulate him for believing in a focus on domestic demand-driven growth, and not on foreign export based growth. We have such a huge market and such a huge population. If we could only activate that and make their latent demands effective, we could do miracles. I am very happy that the Finance Minister has chosen that route.

Sir, it is well-known that the growth does not immediately trickle down if positive and affirmative actions are not taken to cure the ills that the growth process in a free market economy itself creates. We have, therefore, today, huge and unacceptable levels of inequality and very low levels of employment. As my friend, hon. Shri N.K. Singh, has said, we expected that the average growth rate of eight per cent would result in, at least, some increase in employment. On the other hand, employment in the organized sector has decelerated to even below one per cent. It is, if my memory is correct, 0.8 per cent. This is not the way we could have an inclusive growth. We have growth, certainly, but is it inclusive or is it exclusive? That is where we have to put our minds.

Sir, one unsavoury feature is the continuing poverty ratio. I am not going into figures. There is the Tendulkar Committee figure of 37 per cent; there is the Arjun Sengupta Committee-figure of 77 per cent; there is a new figure, which I saw in the *Times of India*, of 68 per cent. I couldn't care less, but the broad figure is, roughly between 300 and 330 million men, women and children are below the Poverty Line and, at least, 200-220 million men, women and children go to bed hungry every night. This is not an acceptable situation in the growth trajectory that he has brought in. Things may be beyond his control. I never suspected his honesty or his desire to do something, but things are happening in a way which may be beyond his control.

[SHRI D. BANDYOPADHYAY]

Sir, I would just illustrate what poverty means. I do not have many data, I have just got some figures. I got them from the very senior hon. Member, Dr. Pilania, who, in fact, made a short notice mention here that according to the International Food Policy Research Institute, we are 67th in a list of 80 hunger-ridden countries with 21 per cent of the population being under-nourished, nearly 44 per cent below-5 years children underweight and seven per cent of them dying before reaching the age of five years.

This is a situation which no civilized country can accept. I do admit that neither the UPA Government, nor our friends in the opposition will accept that situation. But I must say one thing that we have been able to withstand a lot of vicissitudes in the international affairs because we still have, however badly we criticize it, the Nehruvian structure. We still have the residue of socialist pattern with not-so-dominant yet important public sector undertakings. We have some controls, particularly in the capital account. Otherwise, we might have gone the Indonesian or Philippines' way. That is where I salute the vision of Pandit Jawaharlal Nehru, Mrs. Indira Gandhi and, to some extent, Shri Rajiv Gandhi. Though he started the liberalization in a different way, yet foundations are so strong that in spite of the tsunami of marketism, we can survive, and we have survived it. I request the hon. Finance Minister that be in the same tradition of the socialist Congress, please do not dismantle everything which is protecting us from international marketism. Sir, while we are discussing about this poverty scenario, there is something else which is highly disturbing. At the same time, vulgar, ostentatious and conspicuous consumption goes on unabated and unashamedly. Gross competitive demonstration of wealth and opulence among the rich, verging on obscenity, is causing discomfort. It loudly proclaims the existence of a parallel economy about which all of us know, but hardly anyone does anything. I very earnestly request our hon. Finance Minister, he knows all about it; he has the White Paper on this subject, to initiate such action so that some excesses of this parallel economy could be curbed. Sir, here, I would just quote, with your permission Prof. Amartya Sen. ...(*Interruptions*)...

THE VICE-CHAIRMAN (DR. E.M. SUDARSANA NATCHIAPPAN) : Time is over. ...(*Interruptions*)...

SHRI D. BANDYOPADHYAY : He says, "There is probably no other example in the history of world development of an economy growing so fast for so long with such limited results in terms of broad-based social progress." Naturally, it raises an important question, 'Whose growth is it anyway?' Sir, I congratulate the hon. Finance Minister for increasing the allotment for agriculture by 18 per cent. But, Sir, our agriculture is in such a bad state because of continuous deceleration of public investment that 18 per cent increase may not be sufficient unless you have a long-term plan to

sustain public investment in agriculture. I know that he knows everything as to what is to be done. Sir, crisis in agriculture—in spite of the fact that we have the best output this year, but for the past 7 or 8 years we have been in the crisis—has led to secular decline in per capita availability of cereals. Five year average per capita/availability between 1991 to 1995 was 440 grams.

Between 2001 and 2005, it came down to 413. And, between 2006 and 2010, it came down to 4.03. Sir, the 37-point programme...

THE VICE-CHAIRMAN (DR. E.M. SUDARSANA NATCHIAPPAN) : The time allotted to you is over.

SHRI D. BANDYOPADHYAY : I will conclude by saying that I have a small agenda for West Bengal, and that is very simple ...(*Interruptions*)... It is for the hon. Minister to accept it or not to accept it. My point is very simple and it is known to him. West Bengal Government has inherited a huge burden of debt, and our tax revenue is almost equal to our debt service amount. Therefore, we require moratorium and restructuring of debt. That is what we want. Sir, through you, I implore him to bail us out from this predicament.

श्री नरेश अग्रवाल (उत्तर प्रदेश) : उपसभाध्यक्ष महोदय, UPA के संकट मोचक, मैं कहूंगा कि सबसे योग्य और मंत्री परिषद् में सबसे वरिष्ठ मंत्री, हो सकता है कि दो महीने बाद महामहिम राष्ट्रपति हो जाएं, के विभाग पर मुझे बोलने का मौका मिला है। दादा, मुझे आलोचना करने में थोड़ी हिचक हो रही है, लेकिन मैं देश के हित में जो कहने जा रहा हूँ कि आप आलोचना को आलोचना के रूप में मत लीजिए, बल्कि सुझाव के रूप में लीजिए। मैंने अपने राजनीति सफर में थोड़ा बहुत सीखा है, उसको आपके सामने रख रहा हूँ।

श्रीमन्, सन् 2000 से पहले देश में जो बजट प्रस्तुत होता था, वह करीब 28 फरवरी को पेश होता था और आज भी होता है। एक प्रक्रिया थी, एक नियम था कि एक साल के लिए वह बजट फिक्स होगा। बजट में जो भी टैक्स लगता या छूट दी जाती थी, तो उस बजट को पूरा देश सुनता था और टी.वी. पर देखता था कि हमारे घर का एक साल का बजट क्या होगा? देश एक साल के लिए किस रास्ते पर चला जाएगा, देश की सोच क्या होगी? मैं यह नहीं समझ पाया कि 2000 के बाद कौन सी फ्री इकॉनमी की बात आई कि आज बजट पेश करने का कोई महत्व रह ही नहीं गया। अब लोग बजट पर विश्वास नहीं करते हैं, क्योंकि हर महीने आप टैक्स बढ़ा रहे हैं, हर महीने नई पॉलिसी ला रहे हैं, पेट्रोलियम की मार्किट फ्री कर रहे हैं। WTO में जाने के बाद आप इकॉनमी को फ्री कर रहे हैं। हमें पता ही नहीं लग रहा है कि हमारा हर महीने का क्या बजट होगा? लोगों का बजट से धीरे-धीरे विश्वास उठता जा रहा है। हम घाटे का बजट पेश करते हैं। हमने घाटे का बजट पेश किया था, जब एक तरीके से यह कम्युनिस्ट इकॉनमी थी, लेकिन आज फ्री इकॉनमी में हम घाटे का बजट क्यों पेश कर रहे हैं? आखिर हमें इसका कारण भी सोचना चाहिए। अगर हम इसका कारण नहीं सोचेंगे, तो ठीक नहीं होगा। आज इन्टरनेशनल क्रेडिट रेटिंग एजेंसी ने हमारी रेटिंग नकारात्मक की है, तो उसके क्या तात्कालिक परिणाम होंगे। श्रीमन्, हिन्दुस्तान की रेटिंग नकारात्मक होने के बाद आज हमारा फॉरेन इन्वेस्टमेंट कट गया, शेयर बाजार में गिरावट आ गई, विदेशी निवेशकों की बिकवाली हो गई, फॉरेन एक्सचेंज कम आने लगा और हमारी कंट्री की स्थिति, पूरे विश्व में मखौल के रूप में खड़ी हुई। हम हर रोज कहते हैं कि हमारी GDP बढ़ रही है, कंट्री ग्रो कर रही है। लेकिन अगर आंकड़ों पर जाएं, अधिकारियों की आंकड़ों की जो बाजीगरी है, वह देश को तरक्की की ओर नहीं ले जा सकती। हमें रियल्टी पर आना पड़ेगा।

[श्री नरेश अग्रवाल]

अखबारों ने लिखा कि देश की स्थिति, हमारी आर्थिक स्थिति के कारण औद्योगिक उत्पादन में महा गिरावट आई। मार्च में वृद्धि दर शून्य से तीन परसेंट नीचे चली गई, जो पिछले वर्ष 9.4 परसेंट थी। अगर इंडस्ट्रियल डिवेलपमेंट रुकता चला गया, वैसे भी कंट्री की ग्रोथ गिर रही है, आपका नॉन प्लान का खर्चा बढ़ रहा है, प्लान का खर्चा घट रहा है। आप बोरोइंग इतनी कर रहे हैं कि टोटल रिवेन्यू का करीब 22-23 परसेंट उसके बोरोइंग में, उसके ब्याज में जा रहा है। एक समीक्षक ने जो समीक्षा लिखी है, मैं उसको पढ़ कर सुना रहा हूँ, “Between 2007-08 and 2011-12, the Union Government revenue receipts galloped by 41.5 per cent. Total expenditure galloped by a whopping 85 per cent from 2007-08 to 2011-12. Non-Plan expenditure rose by nearly 76 per cent largely due to subsidies which increased by 298 per cent, and interest payment and debt servicing up to 73 per cent.”

इमने इन तीन सालों में 270 परसेंट borrowing की है। अगर हमारी यह स्थिति बन गई है, तो यह हमें देखना पड़ेगा कि आगे आने वाले दिनों में हमारी फाइनेंशियल स्थिति क्या होगी। आपने कह दिया कि हम एफ.डी.आई को लाएंगे। चलिए, यह तो हम सभी विपक्ष के लोगों के कारण यह एफ.डी.आई विरोध में रही, लेकिन आप एफ.डी.आई. में देख लीजिए, आप जिस वॉलमार्ट के लिए एफ.डी.आई. लाना चाहते थे, उस वॉलमार्ट का सालाना टर्न ओवर 421 अरब डॉलर है। 421 अरब डॉलर वॉलमार्ट का सिर्फ सालाना टर्न ओवर है, जबकि हमारी कंट्री का 314 अरब डॉलर सिर्फ विदेशी मुद्रा भंडार है। आप भी बैठे हैं, राज्य मंत्री जी यहाँ बैठे हैं, अगर मैं गलत फिगर दे रहा हूँ, मेरी फिगर गलत हों, तो आप कह दीजिए कि मैंने गलत फिगर दी हैं, लेकिन जो सत्यता आई है, वह यह है कि हमारे हिन्दुस्तान की जो खुदरा मार्केट है, वह आज, इस समय करीब 500 अरब डॉलर सालाना टर्न ओवर की है। यह आंकड़ा 2020 तक 1250 अरब डॉलर पर पहुँच जाएगा। आप उन लोगों को हमारे हिन्दुस्तान में आने के लिए आमंत्रित कर रहे हैं, जिनकी टर्न ओवर बहुत ज्यादा है। मैंने तो W.T.O. को हरदम, इसी मारे ओपोज किया था, लेकिन आप लोगों ने कहा कि W.T.O. अच्छा है। हमारे प्रधान मंत्री जी अर्थशास्त्री हैं, मैं नहीं शब्द नहीं कह सकता, क्योंकि वे अर्थशास्त्री रहे हैं। आज आप, वे और मोंटेक सिंह अहलुवालिया जी, ये तीन लोग देश के सबसे बड़े अर्थशास्त्री हैं, लेकिन अर्थशास्त्री होने के बाद यदि अर्थ ही नहीं रह जाएगा, तो हम शास्त्री का क्या करेंगे? अर्थ निकलता चला जा रहा है और शास्त्री रहते चले जा रहे हैं। आखिर हमें यह सोचना पड़ेगा कि अगर अर्थ नहीं रहा और शास्त्र लेकर घूमोगे, तो क्या फायदा? सेना में Head न रहे और सेना को औजार पकड़ा दो, तो सेना क्या करेगी, आप इसको खुद समझ सकते हो। आज वही स्थिति हमारी इकॉनॉमी की हो रही है। अगर हमने इस अर्थव्यवस्था को नहीं सुधारा, इस पर जोर नहीं दिया तो स्थिति बहुत विस्फोटक होगी। आज डॉलर 44 से 54 रुपये पर पहुँच गया है। आज भी आपकी इकॉनमी कहीं भी stability पर नहीं है। डॉलर की बढ़ती दर में आपका एक्सपोर्ट खत्म हो जाएगा, क्योंकि एक्सपोर्ट करने वाले जिस तरह से बढ़ी डॉलर दर पर गए हैं, उससे इम्पोर्ट बढ़ता चला जाएगा। हमारे पास जो विदेशी मुद्रा है, यदि वह घटती चली गई, अगर हमारा खजाना खाली होता चला गया तो फिर हमारी economic स्थिति क्या होगी, आप समझिए। मैं तो कहता हूँ कि इस पर विचार कीजिए। अगर आप इस पर विचार नहीं करेंगे तो उचित नहीं होगा, क्योंकि स्थिति भयंकर होती चली जा रही है और इस भयंकर स्थिति को बचाने के लिए आपको कोई न कोई एक निर्णय लेना ही पड़ेगा। अगर निर्णय नहीं लिया तो देश में कहीं न कहीं विद्रोह होगा।

श्रीमन्, जितनी इन्कम कोई कमाता है, पूरे वर्ल्ड में उसका 30 परसेंट स्लैब टैक्स है। टैक्स का एक रेट है कि 30 परसेंट टैक्स दे दो। पूरे यूरोप में पेपर मनी नहीं है, वहाँ प्लास्टिक मनी है। उन पर 30 परसेंट टैक्स लगा हुआ है। आदमी 30 परसेंट डायरेक्ट टैक्स देने से मना नहीं करता है, क्योंकि उसके बाद उसकी इन्कम

70 परसेंट है। दादा, आप तो रोज ही इतने टैक्स लगाते जा रहे हैं कि हम समझ नहीं पा रहे हैं। मैं कहता था कि देश में इतने कानून हैं। श्रीमन्, जब मैं वकालत पास करके, अपने सीनियर के पास वकालत करने गया तो उन्होंने हर बात पर इतने कानून दिखाने शुरू किए कि मैं थोड़ा घबरा गया कि पढ़कर क्या आया था और देख क्या रहा हूँ। वही हाल यहाँ पर हो गया है। 100 रुपये पर आपका करीब 130 रुपये टैक्स हो गया है। आपने जितना टैक्सेशन किया है, आप उसको निकाल लीजिए। आप जो उनको दिखा रहे हैं, उस संदर्भ में मैं बताना चाहता हूँ कि मार्च में इन्कम टैक्स डिपार्टमेंट वाले, कस्टम एक्साइज वाले तमाम व्यापारियों से एडवांस टैक्स ले लेते हैं। आप एडवांस टैक्स दिखाकर आमदनी दिखा रहे हैं। आपने एडवांस टैक्स जमाकर के यह दिखा दिया कि हमारा इतना रेवेन्यू बढ़ गया। उसके बाद, हम उसमें से करीब 25 परसेंट रिफंड करते हैं। मीणा जी, आप बता दीजिए कि हम जो रुपया जमा करते हैं, उसका हर साल इन्कम टैक्स और कस्टम एक्साइज में कितना रिफंड होता है। आपने तो उसको दिखा दिया और वह हमारी रेवेन्यू में आ गया, लेकिन जब आपने उसका 25 परसेंट रिफंड कर दिया, तब टोटल बजट में आपने जो इन्कम दिखाई है, उस इन्कम में जब 25 परसेंट चला गया, तब घाटा तो बढ़ता चला गया। आपने कहा हम वोडाफोन से 40,000 करोड़ रुपये लेंगे। कैसे लेंगे, आप यह बता दीजिए। हम लोग आखिर वह मैकेनिज्म भी तो समझ जाएं। इस सदन में जवाब देते वक्त आप कम से कम उस मैकेनिज्म को भी हमें बता दीजिए। ...**(व्यवधान)**... श्रीमन्, अभी तो शुरू किया है।

THE VICE-CHAIRMAN (DR. E.M. SUDARSANA NATCHIAPPAN) : Agrawal ji, your allotted time is over. Please conclude.

श्री नरेश अग्रवाल : उपसभाध्यक्ष जी, आप तो बड़े कृपालु हैं। दादा, मैं आपसे कह रहा हूँ कि आपने दिखाया है कि इस वर्ष वोडाफोन की वसूली से हमारी अनुमानित आय 40 हजार करोड़ रुपए होगी। वोडाफोन की वसूली से कैसे होगी?

मैं आपसे कहना चाहता हूँ कि आपकी नेता, यूपीए की लीडर, आदरणीया सोनिया जी ने घोषणा कर रखी है कि “फूड फॉर ऑल” और “एजुकेशन टू ऑल”, दो बिल हम इसी वर्ष लाएँगे। ...**(व्यवधान)**... उन्होंने दो बिल के लिए कहा था। हेल्थ फॉर ऑल, वे तो चाहते हैं कि हेल्थ जितनी खराब हो जाए, उतना अच्छा है। हम तो कह रहे हैं कि “फूड फॉर ऑल” और “एजुकेशन टू ऑल”, आपने ये दो बिल लाने की बात की, लेकिन जब वे बिल आएँगे, तो उनके लिए पैसा कहाँ से आएगा, आपने बजट में उनके लिए कितना प्रावधान किया? क्या आपने कोई कॉलम छोड़ा, एक रुपया डाला, दो रुपए डाले, बजट में कहीं पर शुरुआत की? अगर आपने शुरुआत नहीं की, तो इसका मतलब यह है कि आप इन्हें लाना नहीं चाहते हैं। अगर आप लाना चाहते हैं और आपने शुरुआत नहीं की है, तो फिर आप अगले सेशन में सप्लीमेंटरी लाएँगे। आप हम लोगों को, देश को रोज-रोज क्यों गुमराह कर रहे हैं? एक बार गुमराह कीजिए, जो कहना हो, देश के सामने एक बार कह दीजिए, हम लोग एक बार में समझ लेंगे, लेकिन अगर रोज-रोज पॉलिसी को कहीं इधर बदल कर, कहीं उधर बदल कर लाएँगे, तो इससे देश का हित नहीं होने जा रहा। इससे इकॉनमिक बैलेंस नहीं होगा। अगर अर्थव्यवस्था बैलेंस नहीं हुई, तो आप चाहे जितना कहिए कि हम बहुत अच्छी गवर्नमेंट चला रहे हैं, लेकिन जब तक इम्पैक्ट नीचे नहीं जाएगा, आपको इसका रिटर्न नहीं आएगा।

मैं बहुत बार कहता रहा, लेकिन आपने बैंकों को फ्रीडम दे दी।

उपासभाध्यक्ष (डा. ई.एम. सुदर्शन नाच्चीयप्पन) : आप समाप्त कीजिए।

श्री नरेश अग्रवाल : मैं खत्म कर रहा हूँ।

माननीय मीणा जी, बैंकों के लिए यह कम्पलसरी था कि वे स्टेट के डेवलपमेंट के लिए सीडी रेशियो बनाएँ, 60:40 का रेशियो। यहाँ तमाम लोग बैठे हैं, बंगाल के, यूपी के, बिहार के। हमारे स्टेट में बैंक जितना

[श्री नरेश अग्रवाल]

रुपया जमा कर रहा है, मुश्किल से उसका 20 परसेंट हमारे स्टेट में खर्च कर रहा है। वह 80 परसेंट बॉरोइंग कर रहा है, उन पूँजीपतियों को, जो उनको पैसा दे रहे हैं। हमारे स्टेट पर कहाँ खर्च हो रहा है? माननीय दादा, माननीय मीणा जी, मैं आपसे सिर्फ़ इतना पूछना चाहता हूँ कि आप बता दीजिए कि पूरी कंट्री में हर स्टेट में बैंकों में कितने रुपए प्रति वर्ष जमा होते हैं और उनमें से कितना पैसा उस स्टेट के डेवलपमेंट के लिए खर्च होता है? आप बैंकों के लिए यह कम्पलसरी कीजिए कि वे जो रुपए जमा करेंगे, उनका 60 परसेंट उस स्टेट के डेवलपमेंट पर लगाएँगे, तब वह टेट डेवलप करेगी।

अंत में मैं सिर्फ़ इतना कहूँगा, वैसे तो बहुत कुछ कहना था, दादा, मैं सिर्फ़ इतना ही कहूँगा कि जब तक आप इंफ्रास्ट्रक्चर पर रुपए खर्च नहीं करेंगे, तब तक कंट्री डेवलप नहीं होगी। पूरे विश्व में टोटल इन्कम का 35 परसेंट इंफ्रास्ट्रक्चर के डेवलपमेंट पर खर्च किया जाता है, आप तो 10 परसेंट भी खर्च नहीं कर रहे हैं। अगर कंट्री ही नहीं डेवलप करेगी, आप वोटों के लिए सब्सिडी के माध्यम से चलते रहेंगे, बीपीएल-एपीएल का झगड़ा चलता रहेगा, और चीजों का झगड़ा चलता रहेगा, तो कंट्री कहाँ रहेगी? दादा, मैं तो नहीं चाहता हूँ कि आप अंत में यही कहें कि “हम छोड़ चले हैं महफिल को, याद आएँ कभी तो मत रोना”। बस इतना ही कहना चाहता हूँ। दादा, मुझे विश्वास है कि आपके जैसा योग्य व्यक्ति मेरे जैसे एक छोटे व्यक्ति के मुँह से निकली हुई बातों को गम्भीरता से लेते हुए, उनको कहीं समायोजित करते हुए, इस देश की अर्थव्यवस्था में सुधार लाते हुए हमारे देश को विश्व में जो स्थान बनाना है, विश्व में वह स्थान दिलाएगा। इन्हीं शब्दों के साथ मैं आपका आभार व्यक्त करता हूँ। धन्यवाद।

SHRI T.M. SELVAGANAPATHI (Tamil Nadu) : Thank you, Sir, for giving me this opportunity. Sir, while I rise to support these two Bills, The Appropriation (No. 3) Bill, 2012 and the Finance Bill, 2012, I would like to raise two important issues concerning the State of Tamil Nadu before my time gets exhausted. Tamil Nadu is the hub of textile business. It accounts for one-third of the textile business of this country, employing nearly fifty lakh workers directly under this industry. It is in a serious trouble, Sir. This industry is earning foreign exchange of almost rupees fifty thousand crore, which have invested over rupees one lakh crore during the last ten years. But, the unfortunate, unprecedented and huge price fluctuation of all the fibres and the demand recession for all textile products globally rendered these units incur a huge loss because of the serious draw back in the domestic market.

Sir, out of 308 textile units in the country, almost all the textile units are incurring a heavy loss; only a few are making a marginal profit. Because of acute power shortage in the southern region, the textile industry in Tamil Nadu is the worst affected. It is not that the problem is company specific. All these losses have resulted from external factors. Today, industrialists are suffering for no fault of theirs. The present outstanding loans of this sector are estimated to be around Rs.50,000 crore. The industrialists' forum, namely the South India Millowners' Association has already made their representation before the hon. Finance Minister and the Textile Ministry. The Textile Ministry has also made a favourable recommendation for a deferred payment of this loan. Neither do they demand interest waiver, nor do they demand any other concession.

They only want a deferred payment of two years which will save this industry. The only concern is that the rules of the Reserve Bank of India do not permit the second moratorium. The first moratorium was announced by the Government in 2008-09 on the eve of global recession and the restructuring facility was given to these industries *suo motu*, not on the demand of industrialists. Now, this cannot be considered as a second restructuring. It is not even a restructuring. They want only a deferred payment. I think the Finance Minister, who always stands for reason and prudence, would sympathetically consider this. Otherwise, the industry will go to dogs and we would not be in a position to reshape it in future.

The other issue is related to tapioca sago industry. It is known as 'sabudana' in Hindi. It is consumed as a food item in the northern India. During the festival season, sabudana is consumed mostly after the fasting. It is a food item, which is widely consumed in almost seven-eight States like Rajasthan, Gujarat, and Maharashtra during the festival season. In the recent Budget of 2012-13, the excise duty levied on sabudana has been increased from one per cent to two per cent. Last year, it was one per cent. Prior to that, there was no excise duty on this particular product. Now it is being increased to two per cent without CENVAT credit facility under the tariff heading No. 1903.

Sir, the problem is that tapioca is grown especially in the State of Tamil Nadu in an area of 3.1 lakh hectares. Almost 20 lakh agricultural families mostly belonging to tribal sections of society are working in it. It is a rainfed crop. It is not a waterfed crop. It is cultivated on dry land. There is no intermediate product emerging in producing sabudana. Even the Department of Industries has recommended to waive this two per cent duty in order to help the manufacturers and farmers. There are nearly 750 SSI units in the State of Tamil Nadu which has an investment of less than Rs. five crore. If this is not removed, both the farmers and the industrialists will have a serious problem in the forthcoming year because of rising input cost and the level of prices they will get which they already take into consideration. Being an ally of the UPA II, not an ally but a trusted ally of the UPA II, the people of our district and the State expect this demand to be considered sympathetically in order to save these two industries.

Sir, coming to the core issues, we are happy to note that the proposed amendments to the General Anti Avoidance Rules in the Finance Bill would target the tax avoidance of those who are not genuine investors and normally try to take advantage of the low or zero tax countries which give them the shelter. Sir, I compliment the Minister for initiating an amendment against those who really do not pay the taxes. Though the amendment is laudable, we would only like to know: Why is it that the hon. Minister is planning to defer the implementation of the General Anti Avoidance Rules for one year?

THE VICE-CHAIRMAN (DR. E.M. SUDARSANA NATCHIAPPAN) : Thank you. Please conclude quickly.

SHRI T.M. SELVAGANAPATHI : Sir, you are my custodian and I would like you to grant me two more minutes to express my points on the main issues of the Budget. Therefore, this one year could be utilised by the hon. Minister to see that the FIIs are not hampered which will have a bearing on the growth of the economy. Therefore, this one year could have been utilised to find out the reasons how this money could be garnered in order to benefit the economy. We also compliment the amendment to the Income Tax Act which has been proposed after the Supreme Court verdict on the Vodafone issue in order to bring overseas mergers and acquisitions in tax net. Sir, my apprehension is: Will it stand the test or the scrutiny of law, especially when the courts have declared that the Income Tax Department cannot tax such companies and there is no provision? The retrospective effect that is given in the amendment would certainly lead to protracted litigation in the courts. The Minister is anticipating Rs.35000 crore to Rs.40000 crore but, what would happen in that situation? Therefore, the anticipated protracted litigation must be taken into consideration and see that how it could be compensated on a different occasion.

Sir, the other important issue is relating to the increase in indirect taxes, that is, excise duty and service tax from ten per cent to twelve per cent. It is another area of concern. Our apprehension is: Will it not indirectly result in raising prices of essential commodities, especially when we have been already facing serious inflationary pressure for the past two years?

THE VICE-CHAIRMAN (DR. E.M. SUDARSANA NATCHIAPPAN) : Kindly conclude. We have to complete it.

SHRI T.M. SELVAGANAPATHI : Yes, Sir. I am coming to the end. Sir, the increase in the service tax and the hike in excise duty would adversely affect the growth prospects of the industry and result in higher cost to the consumers which, in turn, will lead to inflation. Sir, this is one point which we must take into account because with the increase in service tax, we see a phase that we are turning to GST. Sir, while introducing the GST, the hon. Minister must take the States and the allied parties into confidence, otherwise, they would be the sufferers because the States are already reeling under serious financial crisis. Sir, in that situation, the oil subsidy and the fertiliser subsidy, the non-food subsidy, will hit the agricultural sector.

THE VICE-CHAIRMAN (DR. E.M. SUDARSANA NATCHIAPPAN) : Okay. Thank you.

SHRI T.M. SELVAGANAPATHI : Sir, now, I am making the last point.

THE VICE-CHAIRMAN (DR. E.M. SUDARSANA NATCHIAPPAN) : I have to call the last next speaker.

SHRI T.M. SELVAGANAPATHI: Sir, I would make a humble submission. The petroleum subsidy is projected to fall from Rs.68000 crore to Rs.43000 crore. What is the cascading effect? Will it not affect the inflationary pressure already felt?

THE VICE-CHAIRMAN (DR. E.M. SUDARSANA NATCHIAPPAN) : Thank you very much. Please conclude.

SHRI T.M. SELVAGANAPATHI : Sir, now, I come to the last point. In respect of the Fertiliser Subsidy Bill, I am constrained to add that the Minister for Chemicals and Fertilisers was opposed to the reduction or removal of the subsidy for fertilisers.

But still the Government of India had gone ahead with the complete abolition of the subsidy on the fertilizer front. In 2011-12, it was Rs.60,000 crores and now it is estimated to be Rs.74,000 crores which would earn an additional revenue of Rs.7,199 crores.

THE VICE-CHAIRMAN (DR. E. M. SUDARSANA NATCHIAPPAN) : Okay, thank you. Dr. Yogendra P. Trivedi.

SHRI T.M. SELVAGANAPATHI : This would definitely be passed on to the farmers who are supposed to pay the fertilizer price.

THE VICE-CHAIRMAN (DR. E.M. SUDARSANA NATCHIAPPAN) : Please conclude.

SHRI T.M. SELVAGANAPATHI : Already the agricultural farmers whose input cost is more and do not get the price, then, again, the farmers are going to be affected because of this move.

THE VICE-CHAIRMAN (DR. E.M. SUDARSANA NATCHIAPPAN) : Okay. Thank you. Dr. Yogendra P. Trivedi.

SHRI T.M. SELVAGANAPATHI : Therefore, I urge upon the Government to have a relook at this issue. These are cases in which the farmers are affected, the common man is affected. So, it should be relooked. Thank you.

DR. YOGENDRA P. TRIVEDI (Maharashtra) : Thank you, Sir. I rise here to support the Appropriation Bill as well as the Finance Bill, not merely because we are allies of the UPA-II, but I also believe sincerely that the Finance Minister was working under tremendous constraints. Under these circumstances, he has to bring out the finance proposals which would have satisfied some and dissatisfied some.

At the opening of the Budget Session we were expecting four important Finance Bills which should have tremendous effect on the financial horizon of the country. One was the Direct Tax Code; the second was Goods and Services Act; the third was the Companies Act; and the fourth was the Insurance Bill and the FDI in retails. Out of

[DR. YOGENDRA P. TRIVEDI]

these, the Direct Tax Code, which should have changed the Income-Tax Act, 1961, after 50 years, which was overdue, was most eagerly awaited and was to come into effect from 1st April, 2012. The Finance Minister promised that he would bring the Direct Tax Code into operation from 1st April, 2012, but he could not succeed. But he brought some of the provisions of the Direct Tax Code in the Finance Bill like General Anti-Avoidance Rules (GAAR). The GAAR is prevalent in many countries in different forms. In some countries, they have the Strategic Anti-Avoidance Rules (SAAR). In some countries, they have the Targeted Anti-Avoidance Rules (TAAR). But most of the countries have accepted that avoidance of tax by unfair means can't be tolerated. Now, the Finance Committee, when the proposals of Direct Tax Code came, gave certain suggestions. If these suggestions had been incorporated in the Finance Act, probably, there would have been a little opposition. One of our suggestions was that there should not be unbridled power in the hands of the officers and the Commissioners of Income-Tax. The second thing that we have suggested was that the burden of proof should not be put on the income-taxpayer. It should be considered to be the primary duty of the officer to find out whether there is a desire to avoid tax. Both these suggestions were not taken into consideration and under the provisions with which they came up in the Finance Bill, the burden of proof was on the assessee, but, at the same time, unbridled powers were given to the officers. There was a lot of opposition. As a result of that, the Finance Minister has postponed the implementation of these provisions till 2014. I am afraid, this is a retrograde step. This is like throwing the baby with the bath water. These were good provisions, which are necessary provisions, but they were to be abandoned because of the hasty way in which they were brought.

Then, I must admire the Finance Minister's courage for taking a firm stand on Vodafone. It is true that there was a Supreme Court judgement. But most of the people forget that before the matter came before the Supreme Court, on two occasions, the Bombay High Court had to study the very same case.

Justice Radhakrishnan, in an interim application, came to the conclusion that this transaction was taxable in India. That is why the notice which was issued by the TDS authorities was correct. Thereafter, when the matter came for final hearing before Justice Chandrachud and others, Justice Chandrachud also took the view that it was taxable in India. You can't have provisions by which you do not pay tax anywhere in the world. The matter then came to the Supreme Court. The Supreme Court took a divergent view. There was considerable pressure on the Finance Minister that the Supreme Court judgement should now be followed and he should not go in for any amendment. But he had the courage. He said, "The country can't afford to lose such a large amount of money." This is a transaction in which we must look at the commercial substance. The assets were here; sixty-seven per cent of the assets were in India. If

you go outside and make a transaction and say that there is no liability of capital gains tax, it is not permissible. The Finance Minister stuck to his guns. I must say one thing that this was a transaction which was also blessed by the World Bank Chief, Robert Zoellick. He also said that this was not correct. In any event, a company which is entering into a transaction of this nature has to ultimately pay tax somewhere. They cannot say that we are not liable to pay tax anywhere. He has taken the right step. This has to be taxed. The country cannot afford to lose such a large amount of money. At the same time, I must also admit that he has been gracious enough. He has said that all these retrospective amendments, which he has made, by virtue of which Vodafone becomes liable to pay tax here, will not be operative beyond six years, which is the period for reopening the assessment. Probably, he is also thinking that Vodafone should not be penalized. Otherwise also, I think, if it is a view which is taken by the Supreme Court, there will be no penalty for concealment. But he has said that he will go to the extent that there is no concealment on this transaction. I am not against that. But at the same time I must also mention some of the aspects which are very important. I was reading a lead article in a very influential daily yesterday. I found therein that some of the things stated about our economy require consideration. There was a mention about Adidas, which has suffered a loss of Rs. 1,350 crores. They have closed down their shops, 300 shops of Adidas and 200 shops of Reebok shoes, because there was a fraud by some of the employees. This happens in this country because our legislative machinery is so slow and our procedure so prolonged that as a result thereof the criminals are not brought to justice. In this country, unfortunately, what has happened is....

THE VICE-CHAIRMAN (DR. E.M. SUDARSANA NATCHIAPPAN) : Please conclude.

DR. YOGENDRA P. TRIVEDI : Earlier it used to be said, “Crime does not pay”, but in our country, sometimes, we feel that crime pays. This is something which has to be looked into.

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

Then there was this case of pharmaceutical products. There was lack of quality audit, as a result of which a Japanese company, Daiichi Sankyo suffered a loss of 3.8 billion dollars. They said that there was absence of quality audit in the country. As a result of which we find that the Standard and Poor’s has downgraded us considerably. Institutions like LIC, ICICI, Axis Bank have been downgraded. Now, the thing is, people forget. People are now becoming despondent. They are saying that in this country there is no future.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : Please conclude.

DR. YOGENDRA P. TRIVEDI : I am concluding. I am only giving suggestions. When they are crying foul, they forget one thing which is very important. Our country is first in the production of cotton in the world. We are second in the production of sugar in the world. We are first in the production of milk in the world. We forget one thing which is very important. I found in an article that one-fifths of Europe's car-making capacity is idle, while sales in India are growing double-digit. I think people have to come to us. There is no hope; there is no scope anywhere else.

People will come; there will be inflow of foreign capital. But we have to bear in mind two things which are very important here. The Finance Minister has increased the duty on gold to four per cent, as a result of which, I am afraid, there will be a large amount of gold smuggling. I am making a suggestion here. In this country, a large amount of gold is lying in private hands, in temples and trusts. Why don't you have Gold Bank so that people can go and deposit their gold? The Gold Bank will be in possession of gold worth trillions of dollars, and that will give some sort of support to our economy.

Finally, Sir, the Government must consider about the large amounts of money which have been stashed abroad. This is the question of black money, and much has been said about it. And what we have seen is that the Finance Minister had to bite the bullet. This money will not come in the automatic channel. By all these tax treaties or these tax avoidance treaties, the money will not come. There is a necessity for a voluntary scheme for payment of taxes by those who have parked their money abroad. This can be done if the Finance Minister takes courage in both hands and brings about this legislation, before his elevation, by way of an ordinance. Then, I am sure, trillions of dollars will come in as a result of this.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : Hon. Members, we have to have the reply today itself. So, I have to conclude the discussion by 6 O' clock. Therefore, every hon. Member is requested to stick to their allotted time. Whatever time is due to them, they will get, but not more. So, accordingly, you plan your speech. Now, Shri Shashi Bhushan Behera. You have six minutes.

SHRI SHASHI BHUSAN BEHERA (Odisha) : ** Sir, I thank you for giving me this opportunity to express my views on the Finance Bill. I would like to speak in Oriya. The Members may face some constraint because they have to listen to the interpretation. But, I think, this will not be a constraint for the Finance Minister, Pranabda, who hails from West Bengal. It is well-known to Members that Odisha and West Bengal are neighbouring States, and the Oriya and Bengali languages are quite similar. So, I want to speak in Oriya. I can all the more touch the heart of Pranabda this way, and also, because this may be his last stint as the Finance Minister, I want to get closer to him through my language.

** (English translation of original speech delivered in Odia.)

At the outset I would like to congratulate to Hon'ble Finance Minister for trying his best in tackling the recession so bold and efficiently. But our economy is still not fully free from the bad effects of recession. During my speech I will certainly respond to the points raised by my colleague Dr. Bhalchandra Mangekar who has tried to defend to government. It is but natural that the budget of the Government shall face criticism on the demerits found in the budget. But I would like to welcome the step taken by Dada for rolling back the 1% duty on jewellery. This will go a long way in providing relief to the craftman and small traders dealing in gold jewellery. The craftman and small traders of Odisha and West Bengal are deeply grateful to the Hon'ble Finance Minister.

Sir, India has a population of 120 crores. I do not wish to discuss again the problem of poverty of our country. It has been discussed many times in this august House. But I wish to caution the Hon'ble Finance Minister about the difficulties he will be facing in tackling the acute problem of recession. A deficit budget will contribute to create further inflation in the country.

Sir, this government has miserably failed in controlling inflation. The steps taken by this Government have proved fruitless with regard to the production of food grains. The government has failed to put a check on the rising price of petrol and diesel, which has an adverse impact on inflation in general as well as the price rise of essential commodities. Government is a miserable failure in controlling price-rise and this has badly affected the poor and down-trodden of the country. It has become a habit with this Government for pre-budget increase of the prices of petrol and diesel. The common man has been facing problem in service sector due to an increase of a 2% increase in excise duty. The interest of the common man has been badly affected. States like Orissa and West are taking steps to provide infrastructure. But the 2% increase of duty on cement will certainly affect the interest of these States.

Sir, the Government has failed to achieve the target of 7.9% of growth rate of the GDP. You could just manage to achieve 6.9%. In the field of agriculture also the target of 4% growth has not been achieved. These are not adequate provision for providing irrigation facilities to the farmers and also providing greater infrastructure in the country. The worst sufferers are the small and medium farmers due to rising prices of chemical fertilizers and seeds. I just hope the Hon'ble Finance Minister will take steps for safeguarding the interest of small and medium farmers.

Sir, there is an urgent need to take steps scientifically in order to take care of the lakhs of tons of food grains which are rotting in the godown, while people are starving in our country.

Sir, unless genuine efforts are made in providing health care, education facilities by the government the economic condition of the people will never improve.

[SHRI SHASHI BHUSAN BEHERA]

Sir, there are tremendous potential for tourism in Orissa. But unfortunately there has been not even 1% financial allocation for tourism. This fact has been raised by my colleague Shri Piyush Goyal. There is no provision in the budget for encouraging tourism in States like West Bengal and Odisha, where there is tremendous potential for tourism. We need to take steps for utilizing coal and other mineral resources for the development of our economy. There is also a need for opening more ports in India. About 14 Ports are in the pipeline in Odisha. So there is a need to give financial support for creating this infrastructure. Sir, It is unfortunate that States are getting only Rs. 27 out of Rs. 250 of royalty in iron-ore. We feel that our State has incurred a loss of one lakh crores of royalty. Hence there is a need to review the royalty policy with regard to minerals. I also make the demand for declaring Odisha as a special category State.

Thanking you.

SHRI A.W. RABI BERNARD (Tamil Nadu) : Hon. Vice-Chairman, Sir, I congratulate the hon. Finance Minister for the bold decision he has taken in the case of amending the tax laws retrospectively. He has categorically said that India cannot be a tax avoiding or tax evading country for a few shrewd foreign companies. Sir, a question on paying taxes to the Roman conquerors was asked to Jesus Christ. Jesus, whom I consider as one of the greatest revolutionary of all times, said, "Render therefore unto Caesar the things which be Caesar's, and unto God the things which be God's." Sir, who is Caesar in a democracy like ours? Is it not the people? Peraringar Anna, in whose fond memory my party is named, said, which means, let us see God in the joy of the poor. Let us see God in the smiles of the marginalised. When the hon. Finance Minister spoke so patriotically in the other House and I quote, "We were not eating lizards or cockroaches before the foreign investors came." I was reminded of my own leader, another revolutionary whom I admire Puratchi Thalaivar M.G.R. He sang, which means what is that this sacred country is lacking that you will stretch a begging arm to foreign countries? Toil with all our strength in the fields of the motherland and you will be respected in other countries. This is what Dr. MGR was said in 1968. What FDI does Cuba get? But, look at the medical miracles of Cuba. Sir, not only Hugo Chavez and Fidel Castro but every single citizen of Cuba gets cured and gets an excellent medical treatment. Hence, we, once again, reiterate our support to all actions of patriotism and pro-poor legislation.

Sir, I also suggest that retrospective amendments to clarify the position of law should be done at the earliest point of time when the issue stems up *i.e.*, at the beginning of the controversy, rather than allowing controversy to reach the highest court of the land.

5.00 P.M.

We, in Tamil Nadu, are celebrating the first anniversary of Madam Jayalalitha's Government. One of the marvelous achievements of Madam Jayalalitha, which will have far-reaching consequence for the young men and women of the country and the economy in general, is the cost-free laptops given to the millions of students in my State. Only a visionary leader like Madam Jayalalitha, who rules the State like a missionary, totally dedicated to the cause, can think of such fantastic scheme.

Sir, in the Finance Bill, the hon. Finance Minister talks and I quote, "Additional surcharge, for the purposes of the Union, to be called the 'Secondary and Higher Secondary Cess on income tax,' calculated at the rate of one per cent of such income tax and surcharge so as to fulfill the commitment of the Government to provide and finance secondary and higher secondary education." Sir, the Government of India might have collected huge sums through Higher Education Cess *w.e.f.* 2008-09. We are asking for our dues. We demand what is legitimately ours. The hon. Finance Minister promised higher education subsidies and collected cess for it. Now, let him keep his promise and give us our share. How much of educational cess, both elementary and higher education, have the Government of India collected so far? Please share this with the States generously. In Tamil Nadu, we give everything free of cost to all students. We give geometry boxes, colour pencils, atlas, dictionaries, bicycles, school bags, text books, note books, hostel fee, enhanced food allowances, etc., to millions of students. So, please share the educational cess with the States generously.

With these words, I support the Finance and Appropriation Bills. Thank you.

SHRI Y. S. CHOWDARY (Andhra Pradesh) : Thank you very much, Sir, for having given me this opportunity. To begin with, I may be permitted to quote a few headlines—from one of the financial newspapers—which show our country's economic situation today. These headlines are, and I quote, 'Gloom to Deepen: India Inc', 'Moody's Adds Insult to Injury, Scissors Rating of 3 Banks', and 'Rupee Stays in a Hole, Sinks to 53.97 vs Dollar'.

Sir, today, every sector in India, whether it is steel, cement, telecom, power or infrastructure, is facing huge financial imbalance, mainly due to indecisions at various levels of the Government. Unfortunately, for the past couple of years, the Government has been reeling under scam after scam like 2G scam, Commonwealth scam, iron ore scam and so on. Because of indecision at the highest levels of the Government, the country has been losing its direction which is reflecting very clearly in every economic activity and which is also directly resulting in weakening of our rupee. Sir, corporates, because of this indecision, are forced to refer their cases to CDR for financial restructuring, which does not augur well for an economy that has seen an unprecedented growth in the last couple of decades. If this trend continues, I am afraid, ultimately, all

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our banks and financial institutions, which are the backbone not only of our industry but the whole of our economy, may land in big trouble losing their credibility in the international market. Ultimately, the country will lose its credit rating. Sir, as we are all aware, yesterday, LIC's rating was downgraded. A few months ago SBI's rating was also downgraded. These are great institutions of trust and faith. They are the leaders in their respective sectors. Downgrading of the leader in a sector is a clear reflection as to what is happening in that sector. Sir, post-Independence, all our Indian entrepreneurs have worked very hard and created industrial growth which has helped all the banks in developing their own networks.

Sir, today, our farmers want support for sustainable farming but not doles. But Government after Government has preferred to give doles, for obvious reasons! Subsidies on fertilizers, oil, power, etc. are nothing but doles. Instead of giving these doles, Government should formulate good and balanced policies, have a level-playing field in business, so that different sectors of our economy can improve their financial health and, indirectly, will help the country's economy. The Government has to come out with aggressive plans, particularly in reducing imports which can go a long way in helping the farming community in improving their technology, agricultural implements and in yield-improvement technologies. The Government has been continuously silent about any aggressive policy in regard to production of renewable energy which can produce a lot of power, whether hydel or solar.

Sir, today many banks and Government departments are not taking any decision due to the 'fear of the unknown' which is a well-known fact. Unfortunately, we all agree that there is a complete breakdown and a paralysis of our decision-making process. It looks as if the Government is surviving with the support of ventilator. The country have had many scams and many problems like various by-elections, demands for smaller States, etc. I strongly request that the Government should deal with all these scams, etc. by appointing a task force exclusively for this purpose, without affecting the growth of the country.

Sir, in every developing economy, some systemic failures are bound to happen. But, we have to deal with such kind of failures in a matured manner and not in haste.

Sir, in any case, the time has also come for all the political parties to work with cooperation and coordination rather than confrontation and competition in the interest of the country. In any case, this Bill is a *fait accompli* approval. Thank you.

DR. ASHOK S. GANGULY (Nominated) : Sir, I support both the Bills that have been put forward by the hon. Finance Minister. I would not wish repeat many of the points that have been made by Hon. members but I compliment the hon. Finance

Minister for having accepted some key recommendations and for having acknowledged that, possibly, the time-frame, for introduction, needs to be moderated. Thank you, hon. Finance Minister for the consideration. However, I wish to share with the House and the Finance Minister a rather gloomy prognosis in the Indian and world economy. We can be critical, but, the point of the fact is that the world is going through a very difficult time. I am not paranoid. I have worked internationally; but, I sometimes wonder whether the rating agencies are playing a role that they are not supposed to play. I think, we need to question and challenge the rating agencies rather than converting them into headlines in our newspapers.

The second thing I want to warn is that the banking institutions around the world are again in very serious trouble. A major funding institution has just lost 2-3 billion dollars due to trading mistakes. Therefore, the crisis of the global financial system is far deeper and we have to be very alert about the games the international financial institutions also play. I think, it is the legitimate right of every country to have its own taxation system and bilateral taxation treaties. But, there cannot be any system which can be discovered where you do not pay any tax anywhere in the world. Therefore, it is our country's legitimate right; every country around the world is doing it, to explore ways and means, to charge people taxes that legitimately belong to the nation. I will never be defensive, regarding some of the measures that the hon. Finance Minister is proposing. However, let us also not forget that we are yet to come to the Monsoon Session of the House. The Finance Minister is always praying to the Rain God rather than depending on the meteorologists because on that depends the bulk of our people and our economy.

I think, the allocation for Second Green Revolution, particularly in the five eastern States, is going to be critical, Mr. Finance Minister, and I hope then adequate funds will be made available. My worry is, there is going to be a slowdown in investment, there is going to be a slowdown in growth. But, the bigger worry is the slowdown in employment. I do not want our demographic dividend to become a demographic burden. There is very little you can do about it, because you are yourself facing the challenge of the national fiscal deficit which is a very significant issue. I did not hear, across the room, any suggestion that would be helpful for you to tackle the framing fiscal deficit. However, you are a great asset to the nation because when you address audiences in this country, and in conferences at international forum, you can change the mood of the world about the attractive Indian opportunities. However, I do not underestimate the latest threat that the world is facing and that is the slowdown of the Chinese economy, and the Chinese foreign trade. Just imagine, if China were to quite selectively devalue the Yuan, the competitive threat to India would indeed be grave.

And, therefore, Mr. Finance Minister, while we talk, we can say everything we want; you have an enviable task along with your hon. Ministers of State as well. In

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order to manage, possibly, one of the most difficult periods in the last 20 years that is going to face this country, between now and the next Budget in 2013-14, I can only wish you well. I know that you rise above criticism; you rise above the analysis, paralysis that travels through this House. You have a long experience. And while I do not want to wish to speculate which way you will choose your own political future, I can only selfishly hope that the people can have some say in the decision about your continuing to guide the future of this country, as you have done for so many years. I wish you all the best. I thank you, Mr. Vice-Chairman, Sir, for giving me the opportunity to speak on this subject. Sir, you know that I never take extra time.

THE VICE-CHAIRMAN (PROF. P.K. KURIEN) : I must specially thank you for that.

DR. ASHOK S. GANGULY : Thank you, Sir. I wish the Finance Minister all the best.

THE VICE-CHAIRMAN (PROF. P.K. KURIEN) : Dr. Bharatkumar Raut, you should emulate the example of Gangulyji with regard to timing.

DR. BHARATKUMAR RAUT (Maharashtra) : Mr. Vice-Chairman, Sir, it so happens that whenever a discussion takes place, we forget that we are Council of States; we are Rajya Sabha. All these parties which are represented here are regional parties. We may be small in number here, but we are giants in our States. And, this House is meant for raising the voice of States.

THE VICE-CHAIRMAN (PROF. P.K. KURIEN) : Therefore, you take five minutes.

DR. BHARATKUMAR RAUT : Okay, Sir.

Mr. Vice-Chairman, Sir, while talking on the Appropriation and the Finance Bill, I would not be touching the macro issues, which my other colleagues have already touched and deliberated. But I am going into micro issues, which touch my State. I come from Mumbai, which is called *urbs prima*. We want to make it the financial hub of the world. So, I just want to highlight the plight of my city, the city of Mumbai, in this House. Sir, I am only touching those points which have financial implications, and in which, the Centre is supposed to provide finance to the city for its benefit.

Sir, I am going into bullet points, and I will not speak more. Sir, my first point is about Brihan Mumbai Storm Water Drainage Project, which is popularly known as BRIMSTOWAD. Sir, on 26th July, 2005, the big floods affected Mumbai. Then, we decided to improve our drainage and sewage system, for which we kept an amount of Rs. 1,200 crores. For that, the State was supposed to pay Rs.200 crores, and the Centre

was supposed to provide Rs.1,000 crores. Sir, I want to remind the hon. Finance Minister as to how much has come. Now, after seven years, the project cost has gone up to Rs.3,535 crores. So, it has gone up from Rs.1,200 crores to Rs.3,535 crores. It is only because the finance did not come on time. Sir, the State has already paid some amount. And, now, what is required is Rs.2,335 crores. That amount is required from the Centre. Sir, I would suggest that this amount should come as fast as possible.

Sir, another thing is about the development of the Mithi River. The world has heard about the Mithi River only after the worst floods that hit the city. After that, MMRDA, the State Government body, and the Mumbai Municipal Corporation, together, created a project. Because six years have passed, the revised Budget for the Project is Rs.1,657 crores; for which, the Centre is supposed to pay Rs.1,100 crores immediately. Sir, I am saying immediately because every day's delay is costing us something like Rs. 1 crore per day, apart from the hazards to the city.

Sir, the third project that I would like to bring to your notice is the heliport project that was also developed with the help of the Central Government. Mumbai has only length, we do not have breadth. Therefore, to decongest the traffic, particularly, during the busy time, the proposal was that we have a heliport one at Marine Drive or at Colaba which is the Southern tip of the city and the other in northern tip and here it can be in Navi Mumbai. Sir, the Environment Ministry has given clearance to the Navi Mumbai heliport but it has not given clearance to the south tip. So, how does it work? From where do the helicopters take off? Sir, here also we need financial help from the Centre. This is because unless we get finance from the Centre, this will not work. Sir, I am saying this because Mumbai has population from all over the country. We have more Hindi-speaking people than any city of Uttar Pradesh. We have more Gujarati-speaking people than any city except Ahmedabad. I am not going into the regionalism. I am saying that people from all over the country come here and they do their business. In order to help them to commute, at least, you should have heliports, otherwise, we cannot do anything. ...(*Time-bell rings*)... Sir, I am coming to the last point. There is another project of floating jetties. In order to decongest the city, the project is to have floating jetties near Gateway of India and near Andheri or near Chambur. Sir, that project is also waiting for financial assistance for the last ten years. In ten years you can imagine how much traffic has gone up. So, my suggestion to the Centre is that, please look into these issues very urgently. There are many issues of Maharashtra. I am not touching them because this time I thought I should concentrate on the *urbs prima*. Thank you, Sir.

SHRI D. RAJA (Tamil Nadu) : Thank you, Sir. The Finance Bill, 2012 is clearly biased towards the corporates and the rich. This is evident from the fact that while the Direct Taxes being levied on the rich will result in a loss of Rs.4500 crores, more after the concessions announced by our hon. Finance Minister on 7th May, 2012. Increase

[SHRI D. RAJA]

in Indirect Taxes and Service Tax and Excise Duties will yield additional revenue of more than Rs. 45,940 crores. This is in line with Government's policy of last several years where poor and common people have been overburdened to subsidize the rich and the corporates. There is huge amount of Rs.5.3 lakh crores revenue forgone in 2011-12, out of which over Rs.55,000 crore were tax concessions to the corporates. This is the irony when the Government claims it rules for *aam adami*, finally, this is what happens in our country. At the same time, the Budget gives slew of concessions to investment in the stock markets at a time when developed countries are trying to control the volatility in stock markets by tax regime against speculations. The Budget cuts security transaction tax by 25 per cent and new tax exemption has been announced to encourage retail stock market investors. Sir, India is among the few countries with the lowest tax GDP ratio which has been declining over the years.

The tax GDP ratio is the lowest not only among the G-20 countries but also among the middle income countries. On the other hand, the global community has been taking all measures to tax the rich. The newly elected French President, Francois Hollande, has proposed a 75 per cent tax rate for the rich.

However, in our country, due to the sustained campaign by the rich and corporates, the Government swiftly acted to reduce the tax burden and tax compliance provisions even more to boost the stock market. The announcements made by our hon. Finance Minister deferring the implementation of the General Anti-Avoidance Rules (GAAR) by one year and diluting many of its provisions is a meek surrender to finance capital, multi-national corporations and the US Administration.

Sir, the GAAR are meant to strengthen India's tax laws to prevent foreign investors from avoiding paying taxes on capital gains in India. This was also needed to plug the loopholes in the Double Taxation Avoidance Agreements (DTAAs) with tax havens like Mauritius. I don't need to explain what Mauritius means to India. It is noteworthy that over 40 per cent of FDI inflows into India are routed through Mauritius, in order to facilitate crores of rupees of tax savings by foreign companies at the cost of the Indian exchequer. GAAR have been implemented in countries across the world to crack down on such tax avoidance which leads to a loss of revenue to the sovereign governments. India is a sovereign Government. Even South Africa and China have GAAR in place. Dilution of GAAR in India has, apparently, been done to please the corporate houses and the rich who have been using the provisions of DTAA for siphoning money out of the country. That is the source of black money, Sir.

Sir, the fact that the Government, the Finance Ministry, has been acting in favour of corporate houses is evident from their announcements such as cut in capital gains tax on private equity, cut in withholding tax on foreign borrowings and withdrawal of

tax on property transactions. These are all meant to favour big financiers and real estate players. A recent report by the Ministry of Finance's Intelligence Wing—if I am wrong, I stand to be corrected, Sir,—has confirmed that the real estate sector is the biggest culprit as far as tax and black money is concerned. The Government has also absolved the corporates from proving their tax liabilities with the proposed change, putting the onus on the Government. This is what is happening. Here, many people referred to Vodafone. This is to give benefits to companies such as Vodafone by proposing to exclude from the proposed amendments those companies whose cases have already been settled.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : Please conclude.

SHRI D. RAJA : Sir, I am coming to the end. This is a big concession with huge losses to the Government.

While the Government has gone overboard in pleasing the corporates, lack of resources has been used as an excuse to reduce fertilizer subsidy, expenditure on MGNREGA and other social welfare expenditures. It is obvious that the political economy of the Finance Bill is clearly a reflection of the politics of the Congress-led UPA-II Government of exploiting the common man to benefit the corporate houses. ...(*Time-bell rings*)...

Finally, Sir, Pranabda, at this age, with his rich experience, need not be in a dilemma, to be or not to be. I want him to be decisive. I want him to take a decisive step in correcting the neo-liberal policies which have proved to be disastrous. I hope he leaves an imprint in taking such a bold step. The macro-level economic and financial policies need a thorough review, and course-correction is necessary at this point of time. With this request, I conclude my intervention. Thank you.

श्री रघुनन्दन शर्मा (मध्य प्रदेश) : माननीय उपसभाध्यक्ष महोदय, आदरणीय वित्त मंत्री जी को मैं दो साल, तीन साल पूर्व के काल खंड में वापस ले जाना चाहूंगा, जब वे नई ऊर्जा, नया जनादेश, नई नीति, नई दिशा लेकर इस सदन में आए थे, तब उन्होंने 6 जुलाई, 2009 को इस संसद के माध्यम से देश की जनता को कई अभिवचन दिए थे। उन्होंने अपने शब्दों में कहा था, “हम इस राष्ट्र की भलाई के लिए अपनी सम्पूर्ण सामर्थ्य से प्रयत्नशील रहेंगे,” लेकिन हम यह देख रहे हैं कि प्रत्येक वस्तु के मूल्य निरंतर बढ़ रहे हैं। महंगाई राक्षस की तरह से मुंह फाड़ कर दौड़ी चली आ रही है और हर व्यक्ति को वह तेजी से निगलने की चेष्टा कर रही है। इतना ही नहीं, एक के बाद एक ऐसे घोटाले सामने आ रहे हैं, जिनसे यह प्रश्न हमारे मन में उठता है कि देश विकास की ओर जा रहा है या भ्रष्टाचार की ओर जा रहा है? इस कारण से मैं उनको उनकी कुछ वचनबद्धताएं स्मरण दिलाना चाहूंगा कि हम किस दिशा में जाना चाहते हैं।

महोदय, 6 जुलाई, 2009 को उन्होंने अपने अभिवचन में कहा था कि कम से कम 9 प्रतिशत विकास दर प्रति वर्ष बनाए रखेंगे, क्या यह रख पाए? 12 मिलियन नए कार्य अवसर सृजन करेंगे, क्या यह कर पाए? गरीबी रेखा के नीचे जीवनयापन करने वाले अनुपात को 2014 तक आधे से कम कर देंगे, अभी तक कितना कर पाए?

महोदय, हां, हम यह कह कर सारे राष्ट्र में हास्यास्पद अवश्य हो गए हैं, क्योंकि हमने जीवनयापन के लिए जो मापदंड तय किया है, वह 28 रुपए तय किया है। क्या एक व्यक्ति अपना जीवन निर्वाह 28 रुपए के

[श्री रघुनन्दन शर्मा]

आधार पर कर सकता है? यह आकलन करके हमने अपने आपको हास्यास्पद बना लिया है। अगर ग्रामीण व्यक्ति की बात करें, तो वहां की हालत और खराब है, उसको तो आपने 22 रुपए में ही रोक दिया है, वहीं खड़ा कर दिया है। यह एक व्यक्ति के जीवनयापन के लिए पर्याप्त नहीं है।

महोदय, मैं वित्त मंत्री जी को ध्यान दिलाना चाहूंगा कि उन्होंने 2009 में ही अपने भाषण में कौटिल्य को याद किया था और उन्होंने कहा था, “मैं कौटिल्य की सलाह मान कर राजकोषीय घाटे के एफ.आर.बी.एम. लक्ष्य को पुनः प्राप्त करने का इरादा रखता हूँ।” वर्ष 2004-05 में राजकोषीय घाटा 1,25,794 करोड़ रुपए था, जो आज 5,25,000 करोड़ रुपए तक जा पहुंचा है और यह चार गुना से अधिक है। इसी प्रकार से सकल बाजार ऋण 46,031 करोड़ था, वह 4,80,000 करोड़ हो गया है, जो दस गुना से अधिक है। आज तो केवल ब्याज का भुगतान ही 3,20,000 करोड़ रुपए हो गया है।

यदि राजकोषीय घाटा तथा ब्याज भुगतान को मिला दिया जाए, तो 8,33,349 करोड़ रुपए होते हैं। इस प्रकार आपके पास 14,90,000 करोड़ में से केवल 6,57,576 करोड़ रुपए ही बचते हैं, जब कि आपका गैर आयोजना व्यय ही 9,69,000 करोड़ का है। इसकी पूर्ति के लिए 3 लाख करोड़ रुपए से अधिक की आवश्यकता होगी। उसका कोई उपाय हमारे सामने दिखाई नहीं देता है। अगर योजनाओं पर व्यय की बात करेंगे, तो वह कहां जाएगी? इसका अर्थ यह है कि हम विकास को गौण मान कर अन्य कार्य प्राथमिकताएं दे रहे हैं। इस स्थिति में आपके तीन वर्ष पूर्व के अभिवचन का क्या होगा? मैं यह माननीय वित्त मंत्री जी को स्मरण दिलाना चाहूंगा।

महोदय, कभी ये कहते हैं कि विश्वव्यापी मंदी का हम पर कोई प्रभाव नहीं पड़ा और कभी कहते हैं कि यदि हम सब क्षेत्रों में पिछड़ रहे हैं, तो विश्व में जो विश्वव्यापी मंदी आई है, उसका हम पर प्रभाव पड़ा है। अब सच क्या है? कभी एक बात बोलते हैं, तो कभी दूसरी बात बोलते हैं।

मैं यह कहना चाहूंगा कि भारत में जब से काले धन को लाने की आवाज़ उठी है, तब से वह काला धन रिस-रिस कर, धीरे-धीरे एक स्रोत की तरह, एक झरने की तरह इस देश में गुप्त मार्ग से, प्रछन्न मार्ग से आ रहा है और उस काले धन ने ही महंगाई का पहाड़ खड़ा किया है। वह इस महंगाई के शक्तिशाली राक्षस पर हावी हो गया है और हमारे कदमों ने, हमारी नीतियों ने इस महंगाई को नियंत्रित करने की बजाय आग में घी डालने का काम किया है।

माननीय महोदय, ग्रामीण अंचल में आज गरीबों और निर्धनों की जो हालत है, उसे देख कर मुझे फिल्म “पीपली लाइव” की याद आती है, जिसमें एक गरीब आदमी आत्महत्या करने के लिए लालायित रहता है और उसके घर के लोग, उसके घर की महिलाएँ गाती हैं, “सखि सड़ियां तो खूब ही कमात है, महंगाई डायन खाये जात है।” यह महंगाई गरीबों को खा रही है और आप उसको रोकने के उपाय नहीं कर पा रहे हैं। मुझे नहीं मालूम कि आपकी यह विवशता किस कारण से है और आप जैसे सशक्त वित्त मंत्री उसको रोकने में असमर्थ क्यों दिखायी दे रहे हैं।

आपने किसान को सात प्रतिशत ब्याज पर ऋण देने की बात कही है और समय पर भुगतान करने वाले को तीन प्रतिशत की छूट दी है, लेकिन मध्य प्रदेश के मुख्य मंत्री ने वहाँ पर एक प्रतिशत पर किसानों को ऋण देना प्रारम्भ किया है। आखिर एक प्रदेश का मुख्य मंत्री एक प्रतिशत पर ऋण दे रहा है और हम केन्द्र में बैठ कर सात प्रतिशत की बात कर रहे हैं! आप विचार करें, किसानों को क्या हम उसी प्रकार से सस्ता ऋण उपलब्ध नहीं करा सकते?

इसी प्रकार, आयात और निर्यात का मामला भी हमारे सामने है। आपके इस वर्ष के बजट के संदर्भ में मैं यह बात कहना चाहूँगा कि आपने निर्यात में 23 प्रतिशत की वृद्धि और आयात में 29 प्रतिशत की वृद्धि दर्ज करवायी है, ये अच्छे लक्षण नहीं हैं। कुशलता तो इसमें थी कि निर्यात 29 प्रतिशत होता और आयात में 23 प्रतिशत की वृद्धि होती। आयात के ऊपर निर्यात का दबाव हमेशा बना रहना चाहिए, यही कुशल नीति है। मैं सोचता हूँ, देश के हित में इस चिन्तन की आवश्यकता है, लेकिन हम देशी चिन्तन की बजाय विदेशी चिन्तकों की ओर जाने लगे हैं, उनको प्रेरणा का केन्द्र मानने लगे हैं। कौटिल्य को आपने छोड़ दिया, शुक्र को आपने छोड़ दिया, आपने उपनिषद् की *तेन त्यक्तेन भुजिथा* की बात को छोड़ दिया, हम मिल-बाँट कर खाएँगे और स्वर्ग में जाएँगे, इस विचार का भी आपने परित्याग कर दिया और आप शेक्सपीयर के पीछे दौड़ पड़े, जो निर्दयी होने की बात कहता है। वह कहता है कि निर्दयी हो जाओ। निर्दयी होने की दृष्टि से आज देश की क्या हालत हो गयी है? हम दयाविहीन हो गये और हमारी करुणा समाप्त हो गयी। वह करुणा समाप्त होने के कारण और हमारी दया की भावना समाप्त होने के कारण हम गरीबों को जो सहूलियतें देना चाहते थे, वे नहीं दे पाए और हम देश को विकास की जो दिशा देना चाहते थे, वह भी नहीं दे पाए।

महोदय, देश में रेलों की हालत खराब है, सड़कों की हालत खराब है, किसानों की हालत खराब है, मजदूरों की भी यही स्थिति है और आपने भविष्य निधि पर कम ब्याज देकर भी लोगों का पेट काट लिया। आज सारे देश में हाहाकार मची हुई है। यह तो आपने सब लोगों की दुआ से सद्बुद्धि प्राप्त करके स्वर्णकारों और देशी कारीगरों को फिर से आजीविका चलाने का अवसर प्रदान कर दिया है, उसके लिए मैं आपको धन्यवाद देना चाहूँगा कि आपने देश की जनता की भावना को समझा है। शेक्सपीयर ने आपको निर्दयी होने के लिए जरूर कहा, लेकिन मैं चाहूँगा कि आप टैगोर को अपने सामने रखें, तुलसी को आप अपने सामने रखें और किसी देशी नीति निर्देशक को, प्रेरणास्रोत को सामने रखें। अगर आप किसी को नहीं, तो कबीर को ही अपने सामने रख लेते, तो आपके मन में करुणा जाग्रत होती और कबीर के शब्दों में आप कह उठते:

*कबीरा हाय गरीब की कबहुँ न निष्फल जाए,
मरी खाल की हाय से लौह भस्म हो जाए।*

मैं चाहूँगा कि आप कम से कम गरीबों की हाय मत लीजिए, गरीबों का साथ दीजिए, देश के विकास के लिए कदम उठाइए और ऐसी नीतियाँ बनाइए, जिनसे यह देश विश्व में आर्थिक महाशक्ति बन कर उभर सके। बहुत-बहुत धन्यवाद।

SHRI RAMA CHANDRA KHUNTIA (Odisha) : Sir, I rise to support the Appropriation (No.3) Bill, 2012 and the Finance Bill, 2012. Our hon. Finance Minister has already accepted the suggestions given by the Standing Committee. About the DTC, he has clearly mentioned, while moving the Bill, that all partners will be consulted and their suggestions will be taken and accommodated, and only then the decision will be taken. Sir, I do not want to go into the details of the Bill, but I want to give some suggestions for the consideration of the hon. Finance Minister. Sir, some days ago here in the Parliament, we raised the issue of old-age pension, for which thousands of farmers and people are agitating on the streets. This old-age pension was implemented as per the recommendations of the Agriculture Commission. It is Rs.200 only. But for people of 80 years of age, it is Rs.500. In course of life, the life span has increased. But son, daughters and family members are not taking proper care of old and aging people, so these people are demanding Rs.2,000 per month. However, Government can consider

[SHRI RAMA CHANDRA KHUNTIA]

enhancing this amount so that aging people can get the assurance and confidence of getting some support of the Government. Secondly, I want to raise an issue about agriculture insurance. Many farmers are committing suicide. Everybody is concerned about the problems of farmers with respect to crop and agriculture. But the irony of the fact is that, till today, we have not been able to cover all the agriculture products and fields by way of insurance. If full insurance coverage is there and if farmers get compensation, I think, that will be one way to support the farmers. For that purpose, all the villages, not the blocks, should be taken as one unit. Sir, I am very much grateful that this UPA Government has taken a decision for skill-upgradation and skill-training. Hon. Finance Minister has also made the Budget provision for it. The target is to get 500 million skill-upgraded people in our country by 2023. But we have only Rs.1000 crore per annum for the Skill Upgradation Fund. Is it possible, by giving Rs.1000 crore per year, to get 500 million skilled people by 2023? I do suggest that these multi-nationals and industrial houses, who are using the skill of this country, should also contribute to the Skill Upgradation Fund so that this Fund can be increased. Sir, my another suggestion is regarding contract labourers working in Customs, Excise and Income Tax Departments, especially in the Eastern Zone—West Bengal, Odisha, Bihar, Assam and in the North-East area. Almost in all areas, contract labourers have been regularized. But these people are working as contract labourers. We all know that Excise, Customs and Income Tax Departments are very sensitive Departments. If these people will work there as contract workers, how can they be able to dictate those people who are not paying the tax, or, those who are involving themselves in all sorts of work? So, these workers, who are working as contract labourers in Excise, Customs and Income Tax Departments in the Eastern Zone, should be regularized. Sir, I am very much thankful to this UPA Government for the State Bank Pension Scheme. The UPA Government has taken a decision for giving pension to all nationalized banks' workers and officers. The only bank which is left out is Gramin Bank and its 65,000 officers and employees. I would like to remind the hon. Finance Minister that it was only his creation when Mrs. Indira Gandhi was the Prime Minister. At that time, on the suggestion of hon. Finance Minister, Gramin Bank was created to provide cheap credit. All these bank people are covered by the secured pension scheme, but these Gramin Bank people are dependent only on Provident Fund Scheme. When an officer retires, he gets Rs.1000 or Rs.1200 as pension, whereas peons and Class-IV employees working in Central Government and State Governments offices get pension higher than those. I think, that is under the consideration of the Government.

And, that estimation is there. The requirement for this purpose is Rs.7,000 crore. They have around Rs.2,000 crore in Provident Fund and, I think, the Government should also consider and find out a way. They are also prepared to give their contribution

so that the pension scheme could be developed and finalised for the Grameen Bank officers and employees.

Sir, about education loans, we are thankful that the Government has taken a decision to give interest-free loan to the students belonging to income group of less than Rs.4.5 lakhs. But, above Rs.4.5 lakh income group, the students have to pay interest rate of 11 to 14 per cent. When there are some commercial loans on cars and other items with interest rates of 10 or 11 per cent, why should students, even though they belong to income group of above Rs.4.5 lakh, have to pay more interest? I think, this is also not correct and I appeal to the hon. Finance Minister to consider this point. They may be asked to pay the interest, but it must be a minimum interest of 5 to 6 per cent, so that it is reasonable. So, that should also be taken into consideration by the Government.

Sir, I want to mention one thing regarding the expenditure on the State Plan. When the Plan is being finalised for various States, the Plan size is very big. We are very happy to know that in a Plan, so many thousands of crores of rupees are sanctioned for a State Government. But, is this Plan money being utilised properly? I want to know the position in this regard from the hon. Finance Minister. Some States are telling that the Central Government is not giving adequate funds to them. But, has the total Plan allocation, given to the States, been utilised? Are they able to raise internal sources to utilise the Plan allocation? If that is not the case, then I think there is no justification in saying that the Central Government is not giving money. We are with the States. Our State, Odisha, should also get more money. But, we must also try to spend the money which has been given by the Central Government. Now, the other day, the hon. Minister of Drinking Water and Sanitation, Shri Jairam Ramesh, was telling here that in case of Bihar, Jharkhand and Odisha, the money released for the drinking water and sanitation has not been properly utilised. If this is the fact, then the State Government would not be in a position to ask for more money. The States must have the capacity to utilise the funds.

Sir, I want to mention about MPLAD fund. There are allegations that MPLAD fund is not utilised by the Members of Parliament and the percentage of amount utilised is given in the media reports. But, I want to mention in this House the case of Odisha. We are getting Rs.5 crore per annum per Member. We have 31 Members from Odisha—21 in Lok Sabha and 10 in Rajya Sabha. We get about Rs.155 crore per annum. It is not a small amount. But, the fact remains that the State Government and the district authorities are not taking interest to utilise the MPLAD fund. It is irrespective of any party politics. They are not taking any interest. For example, in the case of Odisha, if the State Government will not take interest to utilise Rs.155 crore, which will be given by our hon. Members of Parliament, then the developmental work will not happen. And, it is the case of all the States all over the country. I want to draw the kind attention

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of this House towards this fact. I am sorry to say that in 2008, when I was elected to this House, I had given Rs.3,00,000 to Tarini Mahavidyalaya in Panikoili. This has not been utilised till date. In 2008-09, I gave Rs.86,00,000 to Kodai Block for 36 projects. It has also not been utilised till now. I have given a project for 84 tube wells in Kodai Block, for which, around Rs.45,00,000 have been given. It was given two years back and it has not been utilised till today. And, sometimes, it is being said that Members are not giving the projects. Sir, I have given the project for 2012. Even if full money is paid, my project is pending in the district level court. If we have given the project, then we have not committed any mistake.

We are also not changing our project. In that case, I think, it is high time that the Central Government, the hon. Finance Minister talk to all the State Governments, State Finance Ministers and the concerned departments to take appropriate action for proper utilization of MPLAD fund, instead of blaming the Members of Parliament for non-utilization of these funds. We are trying to utilize the funds for the development of the State. We are also not recommending to do this and that. ...*(Interruptions)*...

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : Please conclude.

SHRI RAMA CHANDRA KHUNTIA : So, I urge upon the Government to talk to the State Governments for proper utilization of the MPLAD fund. Sir, as a disciplined Member, I obey your order to conclude my speech. Once again, I support this Appropriation Bill and the Finance Bill introduced by the hon. Finance Minister, and, I also expect that the Finance Minister will consider my proposals. Thank you.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : Thank you, Mr. Khuntia, for being disciplined. Now, Shri Ram Kripal Yadav. आपने भी पांच मिनट में खत्म करना है। ...*(व्यवधान)*... हमेशा मेरे से झगड़ा करते हैं। ...*(व्यवधान)*...

श्री राम कृपाल यादव (बिहार) : सर, मैं आपके निर्देशों को भी सुन रहा हूँ और घड़ी को भी देख रहा हूँ। ...*(व्यवधान)*... सर, आपने कहा कि मिनिमम पांच मिनट और मैक्सिमम दस मिनट। आपने यही कहा है, न?

उपसभाध्यक्ष (प्रो. पी.जे. कुरियन) : नहीं, पांच मिनट।

श्री राम कृपाल यादव : सर, मुझे ऐसा पता चला है कि आज मंत्री जी जवाब नहीं दे रहे हैं। इसलिए आप मुझे बोलने दीजिए।

उपसभाध्यक्ष महोदय, मैं सबसे पहले माननीय वित्त मंत्री जी, जो हमारे अभिभावक हैं, नेता हैं, जो एक अनुभवी वित्त मंत्री हैं, विशेष तौर पर उनके प्रति मैं आभार व्यक्त करना चाहता हूँ। आपने इस देश के स्वर्णकार भाइयों के लिए कदम उठाकर एक्साइज ड्यूटी को वापस लिया है। पूरे देश में जिस तरह से स्वर्णकार भाई पेशान थे और पूरा सदन एजीटेटेड था, सदन के अंदर और सदन के बाहर भी इसको लेकर प्रदर्शन हो रहा

था, उन भावनाओं को समझते हुए उनके अनुरूप, उन स्वर्णकार भाइयों के लिए आपने यह एक बड़ा कदम उठाया है। इसके लिए मैं अपनी तरफ से और पूरे सदन की तरफ से आपके प्रति आभार व्यक्त करना चाहता हूँ।

महोदय, इस देश को आजादी मिले साठ वर्ष से अधिक हो गए हैं और अभी हमने संसद का साठवां वर्ष भी मनाया है। देखकर आश्चर्य होता है कि देश के हालात आज ठीक नहीं हैं। देश की 78 प्रतिशत आबादी आज मात्र 20 रुपए पर निर्भर करती है। इस बात को समझा जाए कि 20 रुपए पर जो निर्भर करने वाला व्यक्ति होगा, वह अपना जीवनयापन किस तरह से गुजर कर रहा होगा? माननीय मंत्री जी इसको जरूर समझ रहे होंगे और इस तरफ ध्यान देने का काम करेंगे कि किस तरह से ऐसे लोगों को ऊपर उठाने का काम किया जाए। यह 78 परसेंट आबादी एक बहुत बड़ी आबादी होती है। आप देखें, इस देश में गरीबी बहुत ज्यादा है। मैं यहां आंकड़ा प्रस्तुत करना चाहता हूँ कि पूरे देश में जो गरीबी की हालत है, सबसे अधिक बिहार जैसे प्रदेश में है, जहां बहुत पहले से ही पिछड़ापन है, गरीबी है। जब प्रथम पंचवर्षीय योजना में राशि का आवंटन हुआ, उस समय से ही बिहार को नेगलेक्ट किया गया और आज तक वह नेगलेक्टेड है। मैं आपको बताऊं कि 53.3 परसेंट बिहार में, उसके बाद छत्तीसगढ़ में 48.7 परसेंट, मणिपुर में 47.1 परसेंट, झारखंड में 39.1 परसेंट, असम में 37.9 परसेंट और उत्तर प्रदेश में 37.7 परसेंट लोग गरीबी रेखा से नीचे गुजर-बसर करने वालों की संख्या में आते हैं। खासकर के जो गरीब खेतिहर मजदूर हैं, उनकी हालत तो बहुत खराब है। यह 50 परसेंट गरीब खेतिहर मजदूर हैं, जो खेत में काम करते हैं। अपने खून-पसीने से अन्न पैदा करने का काम करते हैं और उसे देश में हम सब लोगों को खिलाने का काम करते हैं, वे गरीबी रेखा से नीचे गुजर-बसर करने वालों की संख्या में आते हैं। वैसे श्रमिक वर्ग ही, मैं समझता हूँ कि गरीब तबके के लोग हैं, जैसा मैंने कहा खेतिहर मजदूर 50 परसेंट, 40 परसेंट वह श्रमिक हैं, जो शहरी इलाकों में बसते हैं और 47.1 परसेंट अस्थायी श्रमिक गरीब हैं। खास तौर पर जो सम्पन्न हरियाणा और पंजाब है, वहां के खेतिहर मजदूरों की स्थिति भी ठीक नहीं है। हरियाणा में 55.9 परसेंट और पंजाब में 35.6 परसेंट खेतिहर मजदूर गरीब हैं।

ये हालात हैं। मैं समझता हूँ कि इस देश में गरीबी रेखा के नीचे गुजर-बसर करने वालों की संख्या लगातार बढ़ रही है। गरीबी रेखा के नीचे रहने वाले लोगों को यदि मौत आ जाए तो ज्यादा अच्छा है, क्योंकि वे दो वक्त की रोटी नहीं कमा पा रहे हैं, अपने बच्चों को पढ़ा-लिखा नहीं पा रहे हैं, उनके पास रहने के लिए घर नहीं हैं, वे खुले आकाश के नीचे रह रहे हैं। यह अजब विडंबना है। माननीय मंत्री जी, मैं आपसे निवेदन करूंगा कि आप इनकी तरफ निगाह रखने का काम करें। महंगाई लगातार बढ़ रही है और इसने सुरसा की तरह मुंह बना लिया है। लगातार महंगाई बढ़ रही है। प्रधान मंत्री जी ने और स्वयं वित्त मंत्री जी ने बार-बार कहा है कि हम इसको नियंत्रित करने का काम करेंगे, लेकिन नियंत्रण नहीं हो पा रहा है। मैं समझता हूँ कि इसमें जो वृद्धि हो रही है, आप इस पर कुछ कंट्रोल करने का काम कीजिए, इसके लिए कुछ उपाय कीजिए। आप कोशिश कर रहे हैं, लेकिन आपकी कोशिश सफल नहीं हो रही है।

उपसभाध्यक्ष जी, पेट्रोलियम पदार्थों के दाम लगातार बढ़ रहे हैं। हमें जानकारी मिली है कि अब आप डीज़ल और केरोसिन ऑयल के दामों को ओपन मार्केट पर छोड़ने के बारे में सोच रहे हैं। यदि ऐसा हो गया तो इन पर आपका नियंत्रण नहीं रहेगा। यह चिंता का विषय है। यदि पेट्रोलियम पदार्थों की कीमतें बढ़ जाती हैं, तो वे हर चीज पर प्रेशर डालने का काम करती हैं और हर वर्ग, हर तबका इससे प्रभावित होता है। सबसे बड़ी चीज यह है कि हमारे यहां बेरोजगारी की समस्या बढ़ रही है। अभी गवर्नमेंट का एक आंकड़ा आया है, मेरे प्रश्न के जवाब में माननीय मंत्री जी ने बताया था कि 21 दिसम्बर, 2009 के आंकड़ों के हिसाब से 15 से 35 वर्ष की आयु के 3.53 करोड़ लोग रोजगार कार्यालयों में रजिस्टर्ड हैं। इसके अलावा जो बिना पढ़े-लिखे लोग हैं, जो अनरजिस्टर्ड हैं, उनकी संख्या इससे भी अधिक है। आज देश के सामने यह समस्या है।

[श्री राम कृपाल यादव]

उपसभाध्यक्ष जी, एक समस्या यह भी है कि जो हमारे छोटे-छोटे घरेलू उद्योग थे, उन पर कुठाराघात हो रहा है। जब से नयी इकनॉमिक पॉलिसी आई है, उसके कारण बाहर की जो सामग्री है, वह हमारे देश में आ रही है और इससे छोटे उद्योगों पर काफी असर हो रहा है और हमारे उद्योग-धंधे चौपट हो रहे हैं। अब चीन से इतना ज्यादा माल आ रहा है - छोटे-छोटे खिलौने, घरेलू उपयोग की छोटी-छोटी चीजें, खाने का सामान, इसका हमारे व्यापार पर असर पड़ रहा है और इसके कारण बेरोजगारी बढ़ रही है। हमारी economy भी इससे प्रभावित हो रही है।

उपसभाध्यक्ष (प्रो. पी.जे. कुरियन) : अब आप समाप्त कीजिए।

श्री राम कृपाल यादव : क्या मैं बैठ जाऊं?

उपसभाध्यक्ष (प्रो. पी.जे. कुरियन) : अच्छा, आप एक मिनट में समाप्त कीजिए।

श्री राम कृपाल यादव : नहीं सर, मैं तीन मिनट और लूंगा। सर, यह सदन की राय है और आपकी राय भी इसमें शामिल है।

उपसभाध्यक्ष जी, मैंने निवेदन किया है कि एक तरफ तो गरीब, फटेहाल मजदूरों के लिए आप subsidy हटाने की बात कर रहे हैं और वहीं एक ऐसी पॉलिसी के तहत इस देश के जो बड़े घराने हैं, कॉरपोरेट हाउसेज हैं, बड़े-बड़े उद्योगपति हैं, उनको एक्साइज में छूट दे रहे हैं, उनको सीमा शुल्क में छूट दे रहे हैं, जिसकी वजह से एक साल में आपने लगभग 88.26 करोड़ रुपए की छूट दी है। पिछले छः वर्षों में 21 लाख करोड़ रुपए की छूट आपने दी है। यह छूट न देकर, अगर आप इस पैसे को गरीबों पर खर्च करते, तो मैं समझता हूँ कि देश में जो गरीब तबके के लोग हैं, उनके साथ बड़ा न्याय हुआ होता। जो कमा रहे हैं, खिला रहे हैं, उन किसानों की हालत क्या है? **...(समय की घंटी)...** सर, मैं एक मिनट और लूंगा। जो खुद भूखे रह कर हम सब लोगों को खिला रहे हैं, आप उनके लिए कुछ ठोस उपाय कीजिए। आप किसानों के लिए अलग बजट बनाइए, क्यों नहीं बनाते हैं? किसान आयोग ने आपको अनुशंसा करने का काम किया। अगर किसान खुशहाल रहेगा, तो देश खुशहाल रहेगा।

अंत में मैं बिहार की बात करना चाहता हूँ। जैसा कि हमारे माननीय साथियों ने कहा, हमारा बिहार बहुत पिछड़ा प्रदेश है। वहां गरीबी, फटेहाली, बेरोजगारी सब कुछ है। आप पर्याप्त पैसा भी दे रहे हैं, मगर मैं समझता हूँ कि जब तक बिहार में आप दिए गए पैसे पर नियंत्रण नहीं रखेंगे **...(समय की घंटी)...** बिहार में भारी पैमाने पर लूट हो रही है। बिहार भ्रष्टाचार के आकंट में डूबा हुआ है। मनरेगा का पैसा, शिक्षा का पैसा, रोड का पैसा, इनकी बड़े पैमाने पर लूट वहां की जा रही है, इसलिए मैं यह कहता हूँ कि आप पैसा जरूर दीजिए, लेकिन उस पर नियंत्रण रखिए। निश्चित तौर पर आज बिहार फटेहाली और गरीबी के हालात से गुजर रहा है। हम वहां की सरकार को जरूर कहेंगे कि हम विकसित होकर पूरे देश में आगे बढ़ेंगे, मगर बिहार की जो जायज़ मांग है, उसकी तरफ आप जरूर ध्यान दीजिए। अगर बिहार पिछड़ा रहेगा, तो देश आगे नहीं बढ़ेगा। वहां बेरोजगारी है, गरीबी है। बाढ़ और सुखाड़ की वजह से लोग परेशान हैं, तो निश्चित तौर पर **...(व्यवधान)...**

उपसभाध्यक्ष (प्रो. पी.जे. कुरियन) : आप बोर्ड पर नहीं देखते हैं, यही प्रॉब्लम है।

श्री राम कृपाल यादव : मैं खत्म कर रहा हूँ। I am going to conclude. इसलिए माननीय मंत्री जी, मैंने निवेदन किया कि आप उदार दिल से बिहार को अतिरिक्त सहायता देकर उसे मुख्य धारा में लाएं। धन्यवाद।

SHRI NARESH GUJRAL (Punjab) : Sir, I would like to compliment the hon. Finance Minister for showing flexibility with regard to certain provisions of the Budget proposals. GAAR have been widely criticised by the investing community, both in India and abroad, and it was sending wrong signals in a difficult year when we require more FDI. Sir, I am glad that he has decided to postpone it for the time being. At the same time, I appreciate the hon. Finance Minister's very clear signal to the world investing community that they should not consider India as a tax haven. All companies and individuals that do business in India must pay taxes either in India or in their own country. Also, Sir, irrespective of the size of the company, nobody can twist India's arm. That is another message which the hon. Finance Minister has sent very loud and clear. The Finance Minister would also listen to the voice of reason as far as the small jewellery business is concerned. A large section of our small traders and artisans would now benefit from it. Sir, I understand the adverse economic situation that the country is passing through and the hon. Minister's difficult position to balance the Budget and, at the same time, keep the fiscal deficit under control. However, Sir, the rural sector on which 70 per cent of India depends urgently requires some succour. I have a suggestion for the hon. Finance Minister. Even though it may be morally incorrect for me to suggest it and I would probably be criticised by the media for saying so, I would still venture to do so. It requires some out-of-the-box thinking in these difficult times for our economy. The figures of black money, both in the country and stashed abroad, which have been coming in the public domain, are truly mind-boggling. Since the hon. Finance Minister has made a lot of efforts to unearth black money, it has certainly created a lot of scare amongst a lot of people who are willing to come clean and declare their illegal hoardings both in India and abroad. Sir, I would suggest that the hon. Finance Minister should announce an amnesty scheme on the lines of 1997 Scheme which mopped up more than Rs.20,000 crore. I am sure, today, he would come up with such a scheme that the country will get over a lakh crore of rupees for sure. I would only add one rider to it. The entire amount that he collects should be earmarked for rural development and especially for two schemes: clean drinking water and sanitation. It is a matter of shame that after 65 years of Independence, a large section of our rural population has no access to safe drinking water. Similarly, a large section of our rural women have no access to toilets. We must protect their honour and dignity. Sir, I know it is not right to suggest that one should encourage tax evasion. But if you can collect over a lakh crore of rupees this way, you must do so and inject it into the rural economy in one go. This would certainly give a fillip to our economy. Sir, also it is high time that the Government got rid of all the loss-making PSUs, especially the ones like the Air India and the Hotel Corporation which have been bleeding the Government for a long time. The Government has no business to be in service industry. It is best left to the private sector. Air India is expected to lose Rs.10,000 crore this year and the MTNL is fast catching up.

6.00 P.M.

[SHRI NARESH GUJRAL]

Besides, there are so many other PSUs which are bleeding the economy very heavily. Kindly privatise them as soon as possible and use this money for productive purposes. ...*(Interruptions)*... चलिए, अब उनको अपनी जरूरत नहीं है, इसलिए शायद कर लें।

Finally, Sir, there is a lot of speculation that you are about to declare a fiscal package for your home State, as was recommended by the Finance Commission. I welcome it. You must do so. But, kindly do not forget Punjab and Kerala in the bargain.

Now, I am concluding. Sir, the hon. Finance Minister has been a Member of this House or the other House now for almost 43 years and is likely to move to a bigger house very soon. I only hope that the best wishes of the entire House are with him. I do hope that before he demits office, he will take care of his State and my State. Thank you.

THE VICE-CHAIRMAN (PROF. P.J. KURIEN) : Now, Shri Ram Vilas Paswan. He is not here. So, the discussion is over. The hon. Finance Minister will reply tomorrow. Now, we will take up Special Mentions.

SPECIAL MENTIONS – *Contd.*

***Demand to resolve the problem of proliferation of slums along the Mumbai coast posing security threats to the city**

DR. ASHOK S. GANGULY (Nominated) : I have been requesting the Bombay Municipal Corporation and the Maharashtra State Government regarding proliferation of new slums on the Haji Ali sea coast of Mumbai City. In response, the BMC has reported that whenever these slums are removed, they are immediately rebuilt and cannot be prevented from doing so because of lack of help from Mumbai Police. This is a serious matter related to coastal security, as was experienced on 26th November, 2008, during the terrorist attacks in Mumbai. In addition, these slums promoted by local slumlords are in gross violation of the coastal zone regulations. Due to absence of any response from the State Government, the BMC and Mumbai Police Commissioner, I am forced to bring this major security risk to the attention of the hon. Home Minister and the hon. Minister for Environment and Forests. I have also made two successive requests to raise this extremely important issue during the Zero Hour and have not been permitted to do so. I now request protection to raise and record this issue concerning National Security in the Rajya Sabha and request that immediate measures are taken to clean and protect the coastal areas off Mumbai coast from slums.

* Laid on the Table.