

RAJYA SABHA

***SUPPLEMENT**

TO

SYNOPSIS OF DEBATE

(Proceedings other than Questions and Answers)

Wednesday, July 23, 2014/ Shravana 01, 1936 (Saka)

(A) THE BUDGET (GENERAL), 2014-15

General Discussion-Contd.

(B) GOVERNMENT BILL

The Appropriation (No.2) Bill, 2014

General Discussion-Contd.

SHRI SUKHENDU SEKHAR ROY(*Contd.*): I demand for a moratorium on all arrears and debts of West Bengal inherited from the past. In spite of the fact that West Bengal is the largest producer of fruits and vegetables in the country and has tremendous potential for raw silk and cotton, no textile cluster or horticulture university has been sanctioned. Instead of patronising the jute industry in the same manner as the sugar industry has been given relief, the compulsory provision of jute packaging of foodgrains and sugar has been diluted substantially, endangering the future of jute industry. Similar is the situation with the tea industry. India is a federation. The Government must adhere to the recommendations of the Sarkaria Commission and the Punchhi Commission on the Centre-State Relations in this regard. Once it is done, the States would receive an appropriate increase in

*This Synopsis is not an authoritative record of the proceedings of the Rajya Sabha.

their shares of the divisive pool to be recommended by the Fourteenth finance Commission. I would urge upon the hon. Finance Minister to look into this aspect with all seriousness. This would also end the Planning Commission's role as a fiscal agent for devolution of resources at its whims and fancies. But this Budget is essentially a Budget for corporate honchos, crony capitalists, FDI, FII and PPPs. It is not meant for ensuring economic justice and equality to the larger section of Indian society. It is FDI everywhere. Hon. Finance Minister's has assured that the steps highlighted in the Budget are only the beginning. I do not know whether it is the beginning of the end or not.

SHRI PAVAN KUMAR VARMA, making his maiden speech, said: I rise to make my maiden speech in this august House. Let me begin by congratulating the hon. Finance Minister for his maiden Budget speech. I read the Budget speech. I do not doubt the intention, but there has to be a co-relation between intention and substance. Intentions must show in terms of substance. Fifty per cent of our workforce is associated with agriculture and the maximum number of poor are today associated as a part of the agricultural sector. Our food productivity is very low. If our attempt is to reach those people who are at the very lowest end of the socio-economic spectrum, agriculture needs a massive boost in productivity, a new investment, a new vision and a new road map. Agricultural credit allocation has been reduced. I would like to bring to the notice of the hon. Finance Minister that the disbursement is completely skewed. I would urge upon the Finance Minister to have a look at that in order to see how credit can actually reach the farmers. Irrigation and agriculture are so linked. Sixty-four per cent of our land is dependent on the vagaries of the monsoon. This year we are likely to go through what could be a partial drought. We also know that only about 30 per cent of the net cultivated area, have benefited from irrigation projects that have been implemented so far.

I am perplexed that under Pradhan Mantri Krishi Sinchayee Yojana, an allocation of just Rs. 1,000 crores has been made! I question this only in terms of priorities of the Budget. Which India are we addressing ourselves to? This is the question to which policy-makers have to find answers. Hon'ble Finance Minister has allocated Rs. 150 crores for increasing safety of women in all major cities and Rs. 100 crores for Beti Bacho, Beti Padhao Yojana. Government have given just Rs. 100 crores! What are our priorities? Government has given Rs. 100 crores for modernisation of Madarsas means Rs. 15 for per Madarsa. What does this allocation mean? Revenue budget has been slashed by almost 53 percent for education, sports, art and culture. We have to raise the quality of education and teachers. The allocation for health has come down from already unbelievable low of 1 per cent of the Budget to 0.7 per cent of the Budget.

The country needs 12 lakh doctors and 36 lakh nurses in order to meet the WHO norms. We have only 5.5 lakh doctors and 4 lakh nurses. This sector needs attention. In this Budget, there has been a neglect of the least developed States and Bihar. Where is Bihar in the schemes of industrial corridors, smart cities, SEZs and in the special schemes needed to reduce poverty? The real problem of this Budget is that it falls flat between many stools because it lacks a central roadmap and a vision.

SHRI S. MUTHUKARUPPAN, making his maiden speech, said: In Union Budget 2014-15, many of the announcements made in the President's Address have been given concrete shape in the Budget. The setting up of the Expenditure Management Commission is a welcome step and I do hope that the Commission will address the issue of expenditure management in the appropriate socio-economic context of the country by keeping the welfare objective in view. The proposals relating to permitting FDI need to be approached with caution and Government should not extend it to permitting FDI in retail.

I welcome the programme to establish 100 smart cities and the National Industrial Corridors. My request to the Government is that it must consider further extension of these corridors within Tamil Nadu. I also welcome the Scheme to set up a Textile Mega Cluster in Tamil Nadu, implementing the programme for differently-abled and announcement of establishment of the National Institute of Ageing at Madras Medical College. I request the Government of India to kindly include Tamil Nadu in the first place for setting up an AIIMS institution during the current financial year itself. For this purpose, Tamil Nadu Government has already identified the required land. The Government is requested to impress upon the Medical Council of India to expedite the approval of additional seats in Medical Colleges and permit admissions to the medical students. We welcome the steps to boost tourism including proposals of heritage towns and I would appreciate if Srirangam is included. I invite attention to the need to enhance the allocation for the modernization of police force scheme. There is a need to support the setting up of a marine police station in Tamil Nadu. I request the Minister of Finance to include Tamirabarani River in the Ganga rejuvenation programme for cleaning. The rest of the amount of grants may be released as early as possible.

The Government should release the balance amount with regard to the Sarva Shiksha Abhiyan, Right to Education Compensation Scheme and other similar scheme at the earliest. In addition, there are grants from the Thirteenth Finance Commission for roads, maintenance of bridges, slum improvement, coastal protection, renewable energy etc. which may also be released at the earliest. I request the Government to sanction more money to the State of Tamil Nadu for the schemes being implemented by the State Government. I request the Government of India to urgently allot the entire requirement of 65,140 kilolitre kerosene, per month to Tamil Nadu. We welcome the Budget of 2014-15. Pending arrears of aids and grants which are to be released by the Central Government may be released.

SHRI NARESH AGRAWAL: I rise to criticize this Budget and also to give some suggestions to the Government. In this Budget what new has been given by the Government? What has been given to the poor and to the country? The mindset and needs of the people of the country should have been reflected in the Budget. The rising population is the biggest challenge before the country. But no provision in this Budget has been made in this regard. The Government should take decision on the KG Basin. It has been reported in the newspapers that the Government is going to withdraw the subsidy being given on LPG, Petroleum Products and on fertilizers. The Government should clarify its stand in this regard.

The Government should declare publicly that whatever exemption will be given, would be effective upto 2015. If F.D.I. has to be brought, bring it properly. Has Government got benefited from PPP anywhere? This is the Government of capitalists. If Government want to stop black-marketing and hoarding, continue 3/7 otherwise discontinue it. If Government reconsider amendment in Company Act, it would be better. SEBI has not taken any action on about hundred companies. The Government has not done any meeting with Chief Ministers of the States and with any farmer regarding Budget making. The same thing happened with Rail Budget.

Uttar Pradesh has been neglected in Rail Budget and in this Budget. U.P. has minimum number of national highways. There is no mention about giving special package to U.P. The Poverty of U.P. will not be removed just by opening a mini secretariat in Banaras. Take a fruitful action against the black money holders. Income tax of the country has not gone up beyond three percent. Why don't Government bring a scheme for disclosure of black money. Farmers, poverty and price rise are the three most important issues in the country. Non performing assets are increasing. Is there separate law for the rich and the poor in this country? What the government is providing to the farmers of this country? Why is the villager running towards city. All is in vain, if there is no talk about farmer, labourer, and poor of this country. If the Government do not consider the poverty and unemployment in this country, what would we do? We have come to

solve the problem of the country. The Government have earmarked Rs.500 crores to control inflation. The government must make it clear as to how it would do away inflation with this amount.

SHRI P. RAJEEVE: We could not find any change of policies in the Budget. It is as same as of the UPA Government. The corporate world welcomes this Budget but what about the opinion of other organizations like INTUC and BMS? This is a "Chidambaram Budget with saffron lipstick". You are focusing on exports but what about the domestic market? The purchasing power of a majority of people is declining. The income of the rich has increased drastically. I am against the fiscal deficit mantra. we should control the revenue deficit. The production should be increased. This will create employment by which the dynamics of economics will get more momentum. What is the present status of revenue components? Had the government collected tax arrears, there would have been no fiscal deficit. The Prime Minister and the Finance Minister are always talking about tax terrorism, and Anand Sharmaji also mentioned about tax terrorism, I want to know what is the definition of tax terrorism? If we go for on-line purchasing, do you charge any tax for that? property tax constitutes only 0.40 percentage of the total tax revenue.

This Budget is intend to protect the interest of the corporate world. It is proposed to follow FDI in different sectors. By allowing FDI in Defence sector, foreign companies are getting a controlling stake in the Defence Production Enterprises. It will be detriment to the national sovereignty. Inequality is against the concept of growth. I request the Minister to address this issue. We are continuously demanding to revisit the pricing policy of petroleum. On the agricultural sector, we could find nothing in this Budget. Education and health is the most neglected area in this Budget. We are strongly opposing the Government's proposal to do disinvestment in the PSUs.

SHRI A. U. SINGH DEO, making his maiden speech, said: The present Budget, presented by the respected Finance Minister aims to revive the growth and curb expenditure and borrowing. The intent of the Budget is definitely noble but it has not brought in adequate structural reforms. Existing Government policies are to be replaced

with innovative policies. I would have expected the Budget to be more focused. However, no major structural reforms seem to have been brought in.

Value of rupee is going down and I am concerned about it. There is need to control it. Crimes against women are highly on the rise. However, the Finance Minister, has made a meager allocation to a scheme to increase the safety of women in larger cities. It is not sufficient. I would also like to ask why there is no mention of small cities? Meager amount has been allocated for rural sanitation scheme, 'Nirmal Bharat Abhiyan'. It is not sufficient for this purpose. It should be enhanced. The amount the Central Government has allotted to the States under various schemes, should not be downsized because it adversely affect the financial health of the State and implementation of ongoing social -economic development programme. It is good that there will be revision of mineral royalty. It was our long pending demand.

The Government of Odisha has requested for Rs. 1,397 crores to augment Navkalevar festival. States like Bihar and Odisha should get the benefit of a 'Special Category State' The Budget fails to lay down a clear roadmap for implementation of the GST, which would have been welcome gesture. Things related to GST need to be improved. The Government should increase the profit and reduce expenses in Railways. The Ministry of Defence has created an expenditure of thousands of crore for buying air defence platforms. Who will come to India and give you 49 percent when he owns a company 100 percent and making a profit of 100 percent? There should be a promotion of an equitable society and an equitable development of the country. KBK area should be developed and Khurda Road-Bolangir Railway line be completed. We are very happy that they are giving us new institutes. But, what about the absolutely rocky mechanism of running the schools in this country today? Retrospective taxation is a disincentive for getting foreign investment. Population control is something which needs to be looked into by the Government. I know that the Hon'ble Finance Minister is proficient and competent to set right the economy of the country.

SHRI H. K. DUA: The Defence expenditure should be related to present threat to the country's security and the likely scenario. Assessment of threat perception will help the Defence forces. The country would like to be assured that this kind of Defence Budget assures the kind of security required in this kind of environment. In the Defence Budget, Rs. 5,000 crore allocation for modernization is a very limited amount. This needs to be relooked even under the present economic circumstances. We need to attend to the needs of Air Forces and Navy. The threat to India's coast posed by China can be considerable over a period of time. So, we have to spend more on the Navy. The Government needs to look into why Navy should take that long to finish its inquiries and take necessary steps. There is a need for a second strike corps for the Western front. Naresh Chandra Committee Report, recommended two new commands, Aerospace command and Cyber command. There should be a separate command to counter terrorist threat coming from outside. We need a Chief of Defence Staff who could integrate all three forces. The allocation for one rank-one pension needs to be relooked and possibly, some rearrangement can be made in the figures. Let there be a Supplementary Budget in the Winter Session of the Parliament.

SHRI NARESH GUJRAL: I compliment the honourable Finance Minister for presenting a balanced yet progressive Budget under adverse conditions. The plan outlay has been increased and setting up of Expenditure Commission to suggest ways to cut Government's wasteful expenditure has been announced. The previous Finance Minister took steps that seriously impaired the health of entire financial system. The honourable Minister has decided to recapitalize the nationalized banks. Funds for building highways, strengthening warehousing have been allocated. This will help in containing inflation. Adequate finance has been provided for agriculture.

Funds have been set aside for giving impetus to SME sector. Budgetary allocation has been raised for urban development. By increasing income tax exemptions, common man will have more money to spend. The honourable Finance Minister has sent a message to international community that they would have ease of doing

business in India. Investment limit for foreign companies in defence sector should have been raised to 51 per cent. The Kisan Vikas Patras will help channelize money to the economy. Disinvestment target would help reducing the Government's borrowings. Emphasis has been laid on tourism promotion. The honourable Minister has committed to early introduction of GST and examining the Direct Tax Code.

The Finance Minister is requested to sanction enough money to take care of canals in Punjab. Debt restructuring of Punjab, West Bengal and Kerala has not been mentioned in honourable Finance Minister's speech. I hope the Government will reconsider the announcement of MSP. I urge the Government to make changes in the Land Acquisition Act. Changes in our antiquated labour and factory laws are required. Heavy investment is required in judicial infrastructure. Wealth creators should be respected and not looked down on.

DR. ABHISHEK MANU SINGHVI: The massive mandate that the Government got has been frittered away. There has been constant lamentation that the Government has inherited something horrible. I will tell you briefly what legacy and capital we have left behind and the government has inherited. If you look at various parameters the actual competition is between the UPA-I and the UPA-II, though UPA-II has not performed as good as UPA-I. But both the regimes have performed better than the NDA government. We brought current account deficit to 1.7 per cent. Foreign exchange reserves rose by 300 per cent. Mobile penetration rose from 13 per cent to 72 per cent. When you were earlier in power you vehemently opposed the 49 per cent figure of FDI in insurance. You started GST in 2000 and after 2004 started opposing it. And now the Finance Minister talks about 49 per cent FDI in defence and insurance sector.

There are good things about your budget. Our revenue targets have been accepted in the Budget. Our three year fiscal roadmap has been accepted. Renaming is good. But mere renaming shows a lack of creativity. Our Skill Development Mission has now Become 'Skill India.' The JNNURM and the Bharat Nirman have become the

Shyama Prasad Mukherjee Rurban Mission. There is not much difference between the Interim Budget and the Budget presented now. There are identical figures on major parameters. According to the Budget disinvestment will get Rs.58,000 crores. But it does not tell how and from where you will get this large amount. In your Budget you have assumed the GDP growth rate of 13.4 per cent. But you have not convincingly explained how you are going to achieve it. You are saying that non-tax revenue will rise by ten per cent from the Revised Estimate to the Budget Estimate. How you will be able to afford all the subsidies you want to give? A lot has been said about Rs. 100 crore schemes. With such schemes you can't do much for metro projects in Lucknow and Kanpur and also for preservation of various archaeological sites. 3 per cent of taxpayers give just under 70 per cent of taxes collected. The Government were to add Rs. 1 lakh tax paid per year by 10 crore taxpayers in India. I have found no details as to how that expansion will take place.

Dr. SATYANARAYAN JATIYA: To check the increase in the prices of food items is the biggest challenge before us. The Government is committed to the equal involvement of minorities. It will be a policy not to tolerate terrorism and violence against women. Efforts will be made eliminate evils like corruption and black money. FDI will be permitted only in those areas where the employment opportunities will be created. Efforts will be made for return of Kashmiri Pandit to their ancestral place. Arrangements will be made for permanent houses for all upto 2022. We were given the responsibility to prepare the structure of budget keeping these objectives in mind. At that time, we had announced some schemes also. We had the challenge to prepare the budget by including all these items. To manage finances in the circumstances which were not favourable, was definitely a challenge. The people living below the poverty line want to free themselves from the clutches of poverty. It will not be possible until measures will be taken to create employment opportunities for them. Efforts have been made to address all these issues in the budget. The previous NDA Government formulated the Pradhanmantri Gram Sadak Yojana for the villages, the poor and the farmers. The condition of these roads has deteriorated in the last ten

years. So, it was also a big challenge to bring improvement in that. Pradhanmantri Krishi Sinchai Yojana has been proposed to improve the irrigation facilities. The Finance Minister has made a provision of one thousand crores of rupees for this purpose. A mention has been made in the budget about the smart cities and there is a dream to develop 100 smart cities and modernise existing medium size cities. A provision of Rs. 60,000 crores has been made for this purpose. We have brought a new scheme named Shyama Prasad Mukherji Rurban Mission. It includes development of economic activities and skill development. It will be started for development of infrastructure based on integrated project in rural areas. Deendayal Upadhyay Gram Jyoti Yojana has been brought. We all know about the shortage of power. Power generation is a challenging job because its sources are limited. We generate electricity by coal, but we do not have good quality of coal. There is a need to exercise restraint on the consumption of power. Power should be available for agriculture and irrigation. When the demand of power is high in the peak hour, at that time there should not be any problem in supply of power. Deendayal Upadhyay Gram Jyoti Yojana has been brought for this purpose. It is proposed to allocate an amount of Rs. 500 crore for this scheme. The people belonging to Scheduled Castes can be developed only through education only. Once they are educated, they will be able to understand their rights, they will get employment opportunities. 'Beti bachao' scheme is definitely a very good scheme. Today's daughter will be tomorrow's woman, a homemaker. Such a girl should get opportunity to grow.

Discussion not concluded.

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**ERRATA TO THE SUPPLEMENT TO SYNOPSIS OF
DEBATE DATED 22nd JULY, 2014 AND SYNOPSIS
OF DEBATE DATED 23rd JULY, 2014**

Page No.	Line No.	Correction
148	19	Replace the word 'Prime' with 'Railway'
175	10	Delete the sentence 'Ganga does not emanate from Varanasi or ends at Varanasi'.