

13.57 hrs.

Title: President's address to both the Houses of Parliament assembled together on 17 February, 2003- Laid.

SECRETARY-GENERAL: Sir, I beg to lay on the Table a copy of the President's Address** to both the Houses of Parliament assembled together on the 17th February, 2003.

SPEECH BY DR. A.P.J. ABDUL KALAM AT THE START OF THE BUDGET SESSION

New Delhi, 17 February, 2003, 28 Magha, 1924 Saka

Honourable Members,

I extend a warm welcome to you at this first session of Parliament in 2003. This is my first Address to Parliament at the start of the Budget Session.

2. Let me first welcome the newly elected Members of the Rajya Sabha, as also of the Lok Sabha. I congratulate the people of Jammu and Kashmir who, in the October elections to the State Assembly, replied to the threat of the bullet with the power of the ballot. The entire Nation is grateful to our Armed Forces, Paramilitary Forces, and Police Forces for their dedicated service under extremely trying conditions. We pay our homage to those who became martyrs in the call of their duty.

3. Today I would like all of you to join me in paying tribute to Kalpana Chawla and her six fellow astronauts, who died in the tragic break-up of Space Shuttle Columbia minutes before its touchdown on February 1. The remarkable journey of courage and determination that made this Indian woman, hailing from a small town in Haryana, a Citizen of the Milky Way will remain a source of pride for all Bharatvasis and Bharatvanshis. It will also inspire young Indians, especially women, to dream big and to work hard to realize their dreams. I commend ISRO's gesture in naming the METSAT series of satellites after Kalpana Chawla.

4. This is the first session of Parliament after the National Development Council adopted the Tenth Five-Year Plan. The Plan aims at accomplishing faster economic growth with a stronger thrust on employment generation and equity. It has set the target of 8 percent annual average GDP growth rate during the Plan period, with a companion target of 5 crore additional employment and self-employment opportunities. The Plan convincingly explains why these ambitious goals are achievable. It has distinguished itself from the previous Plans by underscoring that it is not merely a Resources Plan, but a Reforms Plan. It has deepened the domain of economic reforms by, especially, providing reforms-linked incentives to State Governments. It has also broadened the agenda of reforms by showing the categorical imperative to remove numerous non-financial barriers to faster development through reforms in civil service, judiciary, education, and above all, in governance at all levelsâ€”at the Centre, States, and Panchayati Raj Institutions. I would especially like to draw the attention of the Union and State Governments to the detailed list, contained in the Plan document, of the legislative and administrative initiatives needed to translate the Tenth Plan's goals and targets into reality.

5. The Tenth Plan is important for yet another reason. No nation attains greatness without an energizing vision guiding it. The Prime Minister, in his Independence Day address last year, has called upon the people to strive towards the goal of transforming India into a Developed Nation by 2020. This vision captures our people's heightened self-confidence, rooted in India's impressive achievements in many fields. It also reflects the increased expectations of our people at the beginning of the new century, that India no longer be categorized as a developing, much less, a poor country. Nearly 260 million people, who are below the poverty line, want to join the mainstream of development. Our people are impatient to achieve 100 percent literacy, health for all, shelter for all, prosperity through knowledge-driven productivity, and a better quality of lifeâ€”all of these enriched with our value system. Hence, it is time India launched a new vision, which I would call "Vision - 2020". I would like Parliament, which is celebrating its Golden Jubilee, to discuss this subject. I also call upon the Union and State governments to evolve an action plan for making the Tenth Plan a People's Plan and Development a People's Movement. To achieve this, they should concentrate on two mantras: Effective Implementation with People's Participation; and Effective Communication for People's Participation.

6. A key element of "Vision 2020" would be "Providing Urban amenities in Rural Areas (PURA)". More than two-thirds of India's population lives in rural areas. We need to give a new thrust to their all-round development through a mega mission for their empowerment. This is best achieved through provision of four critical connectivities: Physical Connectivity by providing good roads, transport services and quality power; Electronic Connectivity by providing reliable communication networks; Knowledge Connectivity by establishing more professional institutions and vocational training centres, schools with high quality infrastructure, teachers who are devoted to teaching, production centres for rural artisans, primary health centres, recreation centres, etc; and Market Connectivity that will help realize the best value for the products and services of rural people, and constantly expand and enrich employment opportunities for them. The model envisaged is a holistic habitat that would improve the quality of life in rural areas and also help in de-congestion of urban areas.

7. National security is a matter of highest priority for my Government. After the December 13 attack on our Parliament by Pakistan-based terrorists, we were constrained to deploy our troops along the international border. This decision achieved its purpose by showing both our firmness and our self-restraint in dealing with our hostile neighbour. In October last year, the Government, after careful deliberation, decided to strategically redeploy the Armed Forces from their positions. This was done without compromising on their capacity to respond decisively to any emergency, and without lowering their vigil in Jammu & Kashmir.

8. A comprehensive Nuclear Doctrine has now been put in place. This places the ultimate control of our strategic assets in the hands of the civilian political executive. The country is truly proud of the scientists, engineers, and staff of DRDO for the successful test firing of the Agni-1 missile. DRDO's other accomplishments include Pinaka, the indigenously developed Area Weapon System, and the

supersonic missile BrahMos, jointly developed with Russia, which has been successfully flight tested.

9. Continued incidents of cross-border terrorism in 2002 again underscored that the chief threat to our internal security is external. The killings of innocent men, women, and children; the choice of members of the families of security personnel as special targets; the attack on pilgrims—all this showed that there was a method in the madness of Pakistan-supported terrorist violence. However, the method did not succeed. Our people maintained calm even in the face of provocative attacks on the Akshardham Temple in Gandhinagar and the Raghunath Temple in Jammu. However, we must continue to be vigilant against an adversary which is unwilling to give up its anti-India stand. The assurances given by Pakistan on the issue of cross-border terrorism have remained unfulfilled; the infrastructure of terrorist groups remains intact in Pakistan; the funding of terrorist groups continues.

10. The Centre is fully committed to working closely with the newly elected Government in Jammu & Kashmir in its efforts to bring peace, normalcy, and economic development of the State. The Prime Minister has announced projects and schemes worth over Rs. 6,000 crore covering various aspects of development and security with a thrust on generation of new employment opportunities for the youth and relief for migrants affected by militancy and cross-border shelling.

11. The Government's concerted efforts to rebuild peace in the Northeast are bearing fruit. I send my special felicitations to the people of Nagaland, whose yearning for peace has imparted strong momentum to the Centre's efforts in this direction. I also heartily congratulate the Bodo community for the successful conclusion of the peace talks. Development work in the Northeastern Region has gathered further momentum. A number of infrastructure projects have been set up through the Non-Lapsable Central Pool, through which more than Rs. 1,500 crore have so far been released. The people's long-standing demand for better facilities for air travel in the Northeast has been addressed with the introduction of four 50-seater aircraft.

12. During the past three decades, about Rs. 550 crore were given to the States to modernize their police forces. In contrast, the Police Modernization Scheme launched two years ago has made a fund of Rs. 1,000 crore a year for the next ten years. I urge those State Governments with poor utilization of this fund to take urgent corrective measures. It has been decided to launch the Multipurpose National Identity Card Project on a pilot basis in thirteen States from April.

13. The problem of illegal migration from Bangladesh has assumed serious proportions and affects many States. There have been reports of Bangladesh territory being used by insurgent groups operating in the Northeast. The ISI is also active in Bangladesh. This makes the issue of infiltration even more ominous. The Government is determined to take all necessary steps to check this problem.

14. The Assembly elections in Gujarat have strengthened democracy and ended a sad chapter in the State's history. We must resolve to ensure that communal violence is never repeated in any part of our country. The Government remains committed to secularism.

15. My Government has repeatedly made it clear that the Ayodhya dispute can be resolved either through negotiations between the two communities or through a verdict of the judiciary, which has to be accepted by all concerned. While the judiciary should expedite its work and give an early verdict, it is also necessary for political parties, religious leaders, and eminent social personalities to promote an atmosphere of mutual understanding, goodwill, and accommodation.

16. The Government has a coherent and well-integrated strategy for boosting economic growth. Despite the global slowdown, the past year has been a fairly good year as India continues to be rated amongst the fast growing economies. In the first nine months of this financial year, India's exports grew by over 20 percent to reach US \$ 38 billion (Rs. 181,300 crore). Despite a relative slowdown in the economy, the total revenues from excise and customs rose by over 15 percent in the first nine months of the year. Inflation remained at a moderate level. Our forex reserves have crossed US \$ 73 billion (Rs. 348,429 crore). Food stocks are comfortable, and prices of essential commodities are stable, despite a severe drought in fourteen States. The recent dip in the estimates of the GDP growth has been almost entirely due to the shortfall in agricultural production. This has once again highlighted the need to rescue our agriculture from its excessive dependence on the monsoon by increasing public investments in irrigation and in all other inputs that increase farm productivity.

17. A Task Force on Drought under the chairmanship of the Deputy Prime Minister has been constituted. So far more than Rs. 1,000 crore have been released to the States under the National Calamity Contingency Fund, in addition to over Rs. 1,400 crore as the share of the Central Government to the Calamity Relief Fund of the States. Nearly 50 lakh tonnes of foodgrains worth nearly Rs. 5,000 crore have been allocated to the drought-affected States to generate relief employment through the Food for Work programme under the Sampoorna Grameen Rozgar Yojana.

18. The Nation has been searching for a lasting solution to the recurring problem of droughts and floods, which have been taking a huge human and economic toll. Networking of our river systems to transfer water from the surplus basins to the areas of deficit has engaged people's attention for many decades. The Government has set up a Task Force to prepare a practical blueprint for this project, without compromising environmental safety and the interest of displaced people. This initiative will bring significant benefits in drinking water, irrigation, power generation, inland navigation, and tourism. I must emphasize that this mega project does not negate the need for promoting small and micro programmes for water conservation at local levels. The two are mutually complementary.

19. The National Water Resources Council has adopted a new National Water Policy emphasizing integrated water resources development and management for optimal and sustainable utilization of available surface and ground water. The Centre has launched a Fast Track Programme for the completion of those major and medium irrigation schemes that can be completed in one year. Subsequent to the approval by the Narmada Control Authority, the dam height was raised, and this has mitigated the problem of drinking water and irrigation in arid areas of Saurashtra and North Gujarat.

20. The Swajaldhara programme, launched in December, has scaled up the rural drinking water supply initiative to cover the entire country. It is a community-led, participatory programme to be implemented by the community and the Gram Panchayats. The community contributes 10 percent upfront towards capital investment; and 90 percent is matched by the Centre. I am happy to inform you that the programme's message "Dus kadam aap chale, nabbe kadam hum chalenge" has evoked excellent response from all parts of the country. A new initiative called "Hariyali" has been launched to promote integrated development of watershed

programmes through Panchayati Raj Institutions. Considering the acute and growing water scarcity, in rural and urban India, it is high time we launched water conservation and efficient water use as a people's movement.

21. The flow of institutional credit for agriculture and allied activities has increased from about Rs. 45,000 crore to nearly Rs. 75,000 crore in three years. The Kisan Credit Card Scheme has made rapid progress since its inception three years ago. Over 2.7 crore cards were issued till September 2002. All the eligible farmers will be covered under this scheme by March 2004. The National Agricultural Insurance Scheme is picking up well.

22. The policy of procurement at the Minimum Support Price, while ensuring remunerative prices for wheat and rice farmers in surplus States, has resulted in huge stocks of rice and wheat with the public agencies. As a response to this, the Government has been encouraging exports of food grains. The wide-ranging recommendations on long-term food management made by the High Level Committee are being examined. There is an urgent need to review the current policies, which have impeded crop diversification and led to unsustainable food subsidies, and to ensure crop neutral support to our farmers without excessive procurement.

23. Fertilizers are a critical component in our scheme of food security. The new pricing policy for urea to be implemented from April 2003 aims at greater transparency, efficiency, and fiscal discipline. While the Government is committed to deregulate the marketing and distribution of fertilizers, it would ensure that major fertilizers are available in the country both in adequate quantity and quality at affordable prices to farmers in all the States.

24. The sugar industry has lately faced serious difficulties, constraining the capacity of sugar factories to make timely payment to sugarcane farmers. Several steps have been initiated to protect the interests of sugarcane growers, while ensuring viability of sugar mills. Sustained efforts are being made to promote horticulture as a major area of diversification in agriculture. The cold storage scheme is working well and has created an additional capacity of 28 lakh tonnes. A new scheme of construction, renovation, and expansion of rural godowns called Grameen Bhandaran Yojana has been launched. This scheme will help prevent distress sales by small and marginal farmers. A new National Policy on Cooperatives has been announced. A National Seeds Policy has been finalized. Under the scheme of Agriclinics and Agribusiness Centres, launched last year, unemployed agriculture graduates provide extension services to the farmers on payment. Recognizing the need for value-addition in agricultural and horticultural produce, the Government has given high priority to the development of food processing industries. A Group of Ministers has been constituted to propose a single modern integrated food law and related regulations, to replace the existing myriad laws, which have affected the growth of this sector.

25. Ensuring food security for the poor through a strengthened Public Distribution System remains a major commitment of the Government. The Antyodaya Anna Yojana, under which one crore poorest of the poor households are entitled to wheat at Rs. 2 a kilo and rice at Rs. 3 a kilo, is a proof of this commitment. The Centre hopes that State Governments would speedily remove the remaining obstacles in the smooth functioning of the PDS.

26. The Pradhan Mantri Gram Sadak Yojana is the most ambitious rural infrastructure project since Independence. During the last two years, it has sanctioned over Rs. 7,000 crore to the States, enabling construction of about 20,000 kilometres of roads. Efforts are being made to raise additional resources for this project and also devise innovative ways of speeding up its implementation. The Ministry of Rural Development organized an All-India Panchayat Adhyakshas' Conference in April. The Sammelan unanimously passed a Resolution urging the Central Government to ensure speedy and effective devolution of financial and administrative powers to Panchayati Raj Institutions through an amendment to the Constitution. I would like Honourable Members to discuss this important proposal from the grassroots.

27. The National Highways Development Project is one of India's proudest success stories since Independence. As against a total of 556 kilometres of four and six-lane highways constructed during the first 50 years of Independence, today we are constructing 5 kilometres of world-class highways every day! The Government is spending Rs. 20 crore a day on construction of nearly 15,000 kilometres of world-class highways during 1999-2007. The Golden Quadrilateral, which measures about 6,000 kilometres, is progressing ahead of schedule in many cases. Contracts worth over Rs. 18,000 crore have already been awarded, mostly to Indian contractors. The Project is already generating daily employment for 2.5 lakh construction workers and 10,000 supervisors. On completion of its first phase alone, it would have created 18 crore mandays of employment. Besides giving a big boost to India's cement and steel industries, it is expected that the Golden Quadrilateral alone would achieve a saving of Rs. 8,000 crore yearly on fuel and vehicle maintenance costs. The greatest benefit of this Project, in my opinion, is that we have demonstrated to ourselves and to the world at large that India can now think of Big Projects and also implement them in record time.

28. The Government has taken various initiatives to put the Indian Railways, the country's premier transportation infrastructure, on a path of fast-track growth. A new non-budgetary investment initiative, called the National Rail Vikas Yojana, has been launched. It envisages investment of Rs. 15,000 crore over the next five years. A major project, costing over Rs. 3,500 crore, for constructing the Udhampur to Baramullah railway line in Jammu & Kashmir is being implemented. We will ensure that the first train rolls into Kashmir Valley before August 15, 2007. Completion of all viable sanctioned railway projects within the next ten years, out of a total shelf of projects of about Rs. 40,000 crore is also being planned. A non-lapsable Special Railway Safety Fund of Rs. 17,000 crore has been set up for renewal of over-aged assets and for safety- enhancement works.

29. Shipping and port development is turning around strongly. Total cargo handling capacity of major ports in 2002 was more than the traffic in the previous year. Indian Ports no longer suffer from capacity constraints, resultant congestion, and high turn-around time for ships. In its continued endeavor to attract private sector investment, the Government has offered three major projects for operation of container terminals.

30. The Government intends to soon bring in a new Civil Aviation Policy, which will liberalize this sector, usher in regulated competition, attract investment, and modernize our airports to provide affordable, but world-class services to passengers.

31. The incredible rate of growth of the telecom services in India, the sheer size of the sector, the dramatic improvement in quality and the equally dramatic fall in tariffs have together scripted one of the major achievements of the country in recent years. This is an area

where the fruits of reforms have benefited the common man directly. Until a few years ago, people were standing in queues to obtain a telephone. Today, several telephone companies are standing in queue to get the people to choose their telephones. Between April 1999 and October 2002, 1.67 lakh villages have been covered by village public telephones, resulting in 85 percent coverage. The number of mobile phones, which was 14 lakhs in April 1999 has now crossed the one crore mark. What was only a few years ago a symbol of luxury has become an affordable tool of empowerment for the common man. The telecom revolution has also empowered postal services in the country. The Post Office network in India, in addition to modernizing its core postal services, is poised to offer many new value added services.

32. India's Information Technology industry, which has emerged as the pride of the nation, continued to do well in spite of a slowdown in the global economy. Software exports were US \$ 7.8 billion during last year and are expected to reach US \$ 10 billion this year. IT-enabled services are also beginning to create large-scale employment. I congratulate all our talented IT professionals and entrepreneurs, for not only creating wealth for the nation but also bringing prestige to India in the international community.

33. The media and broadcasting sector has seen a host of new initiatives. To promote consumer choice, the Government has mandated a Conditional Access System for Pay Channels. It will shortly come into force in four metros. Doordarshan and All India Radio will be supported to more effectively discharge their mandate of public service broadcasting. Community and campus radio stations will be allowed to be set up to promote educational and developmental communication. After considered debate, the policy has been changed to permit 26 percent FDI in Indian print media dealing in news and current affairs. However, suitable safeguards have been put in place. Effective steps will be taken to curb piracy to protect the interests of India's burgeoning entertainment sector.

34. The past few years have witnessed a silent revolution in housing construction in the country, thanks to a combination of government initiatives and falling interest rates on housing loans. I am happy to inform you that, whereas HUDCO sanctioned around Rs. 11,000 crore for housing construction from 1970 to 1998, in the last four years the sanctioned amount is more than that. It has sanctioned loans for construction of over 60 lakh new houses for poor and lower middle class people since the inception of this Government. Other public and private housing finance companies have done equally well. The Valmiki Ambedkar Aawas Yojana that aims at improving the living conditions of urban slum dwellers has received an overwhelming response. A Challenge Fund for catalyzing city-level economic reform programmes will be operationalized soon. The Government has given an in principle approval for a major project to build married accommodation for defence personnel at an estimated cost of about Rs.17,000 crore and cleared the first phase at a cost of Rs.5,500 crore. The successful commissioning of the first phase of the Delhi Metro has created great pride and excitement among the people. I congratulate all those involved in its meticulous implementation. An Urban Transport Policy, and plans to construct metro rail in other cities, are on the anvil.

35. Power is the prime mover of the development process. The good news is that power sector reforms are slowly, but surely, showing positive results. Till now 18 States have signed the Memorandum of Agreement under the Accelerated Power Development and Reform Programme. Privatization of power distribution in Delhi has already led to improved supply. To rationalize the tariff fixation mechanism, a Central Electricity Regulatory Commission has been set up. State Electricity Regulatory Commissions have been set up in 21 States. A comprehensive Electricity Bill is before Parliament for approval. The atomic energy programme has also been progressing well. The Bureau of Energy Efficiency has been established. I am happy to announce that the plan to achieve 30 percent energy savings in Government buildings has well and truly begun in Rashtrapati Bhavan and in the Prime Minister's Office.

36. Maximum self-reliance is the cornerstone of our energy security strategy. So far, three rounds of bidding have been invited under New Exploration Licensing Policy, and 70 blocks have been awarded, involving an investment of about US \$ 3 billion (Rs.14,500 crore). A fourth round is planned. This policy has been able to achieve its objective of expanding and accelerating exploration especially in deepwater areas. It has started showing positive results with big discoveries made in several places. For the first time, eight blocks have been awarded for exploration and production of coal-bed methane. ONGC Videsh Limited has started its first gas production from the Vietnam Offshore Gas Project. The rate of royalty on crude oil was enhanced recently with retrospective effect from April 1998. This would provide additional revenue to the oil producing States. The Administered Pricing Mechanism in the petroleum sector was dismantled from April 2002. The good news for housewives continues. Three crore and thirty lakh gas connections were released during the last four years, as against only three crore and thirty-seven lakh in the last forty years.

37. Coal is India's principal source for meeting its primary and secondary commercial energy requirements. 27 coal mining blocks have so far been allocated to 22 companies for captive mining for specific end-use. The Standing Committee of Parliament on Energy has submitted its recommendations on the Coal Mines Nationalisation (Amendment) Bill 2000, which seeks to throw open coal mining to the private sector, without the restrictions of captive end-use.

38. On April 1, India's indirect tax regime will cross a major milestone. All our States will move to a uniform system of collecting taxes, namely the Value Added Tax. Apprehensions that the States may lose revenue in the initial period of introduction of VAT have been allayed by assuring them that the Government of India would compensate the revenue loss of the States, if any, upon introduction of VAT.

39. Well-run capital markets and well-regulated financial institutions help in mobilizing productive investments for faster economic growth. Last year the Government had to take a series of corrective and promotive steps to restore investors' faith and institutions' health. These include the Securitization, Reconstruction of Financial Assets and Enforcement of Securities Act, 2002 that allows lenders access to the assets of defaulters. The Unit Trust of India was successfully restructured with due protection to the interests of small investors. SEBI, the stockmarket regulator, has been strengthened. Investigations into the recent stock market "scam", which were carried out by different agencies have underscored the limitation of a fractured approach. To investigate such frauds, it has been decided to set up a Serious Fraud Investigation Office. The report of the Naresh Chandra Committee on Corporate Audit and Governance is being examined. The problems faced by IDBI, the nation's premier financial institution, have necessitated its restructuring into a regular corporate entity. A Bill has been introduced to corporatize IDBI.

40. The imperative of fiscal consolidation requires that public finances are managed better. This can take place only through greater collection of revenue and controlling unproductive expenditure. Increase in revenue will need restructuring of the tax system with a focus towards a stable, transparent and efficient tax administration. The Kelkar Committee's reports on direct and indirect taxes are a

roadmap to the creation of such a tax regime. On expenditure, both the Centre and the States need to rationalize their revenue expenditure and to target their subsidies better. The Twelfth Finance Commission, which has recently been set up, will address these important issues.

41. The process of disinvestment has gained irreversible momentum as a part of the wider policy of economic reforms. State Governments are also following this policy, which shows that there is a consensus in practice. The proceeds from disinvestment reduce the burden of public debt, thereby releasing public resources for the social and infrastructure sectors. During the current year, out of thirteen cases of disinvestment so far, eleven were of loss-making units. The procedures for disinvestment have established benchmark norms for transparency, efficiency, administrative simplicity, and non-discretionary decision-making.

42. Social security to the organized and unorganized workforce will continue to be the Government's priority even in the era of liberalization. Under the Employees Provident Fund Scheme, which benefits 3.7 crore subscribers, a novel programme to reduce claims settlement time from 30 days to 2-3 days has been introduced. A nationwide unique Social Security Number for each worker is being launched. The national minimum wage has been revised to Rs. 50 a day. The Second National Commission on Labour has given a comprehensive report covering a wide range of labour issues. Its specific recommendations are being discussed with various stakeholders. Based on these deliberations, a comprehensive umbrella legislation for workers in the unorganized sector is being finalized for introduction in this session of Parliament.

43. The textile sector is grappling with the challenges of a globalized market and problems created by slow modernization. Nine Apparel Parks have been sanctioned for setting up garment units with state-of-the-art machinery. Several new schemes have been approved to improve facilities in major textile centres in the country. At the same time, the problems of the traditional handloom and handicraft sectors, which provide livelihood to vast numbers of our weavers and artisans, are also being comprehensively addressed through a special package of measures.

44. The Government has taken new initiatives aimed at strengthening the small-scale sector in the country to make it globally competitive. These include schemes for technology upgradation, providing collateral free loans, enlarging the scope of ISO Certification Scheme, de-reservation of items in the SSI sector in a phased manner, and promotion of small scale industries in the Knowledge Economy. The Ministry of Agro and Rural Industries is implementing a number of programmes for the creation of employment opportunities for the educated unemployed youth both within and outside the KVIC system.

45. The new Science & Technology Policy 2003 presents a blueprint for India's emergence as a major Knowledge Power. It outlines the approach to S&T governance, optimal utilization of existing physical and knowledge resources, development of innovative technologies, generation and management of intellectual property, and creation of awareness amongst the people about the use and benefits of science and technology. An India Science Award of Rs. 25 lakh has been instituted to promote and recognize scientific excellence. The rapid strides that India has been making in biotechnology give us the confidence that we can develop it both for finding cost-effective solutions to many difficult problems in healthcare, food security, pollution control, etc., and also for realizing new avenues of wealth and employment creation.

46. India's first meteorological satellite was successfully launched. The forthcoming launches of satellites in the INSAT-3 series will add further capacity to the INSAT system, which is already one of the largest domestic communication satellite systems in Asia. An exclusive satellite for education, EDUSAT, is also under development. ISRO has taken up the task of tele-medicine connectivity to provide medical services to remote areas. The Indian Remote Sensing Satellites continue to provide valuable data for our resources survey and management. Ground water prospect maps for six States were released recently to help locate sites for drilling borewells.

47. The richness and diversity of India's bio-resources are a major gift of nature to us. The Biological Diversity Bill 2002, passed in the Winter Session, marked a major milestone in India's commitment to conservation and sustainable utilization of our bio-resources. An ambitious afforestation programme with people's participation that establishes Joint Forest Management Committees in all the 1.73 lakh villages located on the fringes of the forest areas has been launched. The scope of the National River Conservation Plan has been considerably broadened to include works in 155 towns along polluted stretches of 29 rivers spread over 17 States. India successfully hosted the Eighth Conference of Parties to the United Nations Framework Convention on Climate Change in New Delhi last year. The successful adoption of the Delhi Declaration helped to raise awareness of developing country concerns in climate change. India welcomes the adoption of the Plan of Action at the World Summit on Sustainable Development, which was held in Johannesburg last year.

48. Honourable Members, in my interaction with thousands of children across the country in recent months, I have found that they all have a dream to make something out of their lives, and something for India. It should be our collective responsibility to provide them an environment in which they can achieve their dreams. We have been implementing the largest intervention strategy in the world on child health and nutrition through the network of Integrated Child Development Services. In recognition of the significant services being provided by Anganwadi workers, their honoraria have been almost doubled since April last year. A National Nutrition Mission has been launched in 51 demographically most backward districts of the country. A National Commission for Children, a statutory body that will act as an ombudsman for children, will also be constituted.

49. The Nation's commitment to the universalization of elementary education is reflected in our move to make free and compulsory education for all children in the age group of 6-14 years a Fundamental Right. Sarva Shiksha Abhiyan, our national programme to discharge this Constitutional obligation, has been successfully launched with an outlay of nearly Rs. 5,500 crore. Adult Literacy Schemes have now been implemented in nearly 98 percent of the districts in the country. The University Grants Commission, which has completed fifty years, is proposed to be restructured into the University Development Commission. Necessary amendments to the UGC Act will soon be brought in. I also congratulate the IIT system for having completed fifty years of distinguished service to the nation. It has earned global acclaim for the quality of its graduates. Fourteen Regional Engineering Colleges have been upgraded as National Institutes of Technology. Special thrust has been provided to address the educational needs of minorities. Honourable Members, I cannot overemphasize the critical importance of improving the quality and management of higher education at all levels. This will necessarily entail many difficult reforms, which I would like the two Houses to discuss.

50. Economic empowerment is a key aspect of women's empowerment. The concept of Women's Component Plan was introduced as a strategy to ensure that at least 30 percent of the budgetary resources are spent for the benefit of women. I am happy to note that nearly 43 percent of the budgetary allocation in social sector ministries has actually been spent on women-specific or women-related schemes during the Ninth Plan period. This process shall be further strengthened during this year. The Self-Help Group movement among women has proved to be enormously successful.

51. The Government has announced National Health Policy 2002, which aims to achieve an acceptable standard of good health amongst the general population. This will be done through increased access to the decentralized public health system by establishing new infrastructure in deficient areas and by upgrading the infrastructure in the existing institutions. A new National Policy on Indian Systems of Medicine & Homoeopathy has also been announced. Our efforts at containing malaria, kala-azar, dengue, blindness, and leprosy are progressing well. The coverage under the Revised National TB Control Programme has risen to 560 million people from 20 million in 1998. The Government has strengthened its partnership with States and NGOs in implementing a comprehensive National AIDS Control Programme throughout the country. In the era of liberalization, the Government is committed to ensuring the affordability of basic drugs. It will take comprehensive steps to further strengthen our pharmaceutical industry, which in recent years has acquired impressive export capabilities and tremendous global competitiveness in developing new drugs.

52. Improvement in the poor standards of sanitation, in urban as well as rural India is essential for reducing the burden of disease, especially among the children and poor. The Government will soon launch, in active partnership with citizens' organizations, a major cleanliness drive, starting with Railways, government buildings, hospitals, and public places.

53. The poor performance of Bihar, Madhya Pradesh, Rajasthan, and Uttar Pradesh in stabilizing their population is a matter of serious national concern. The Centre, in close cooperation with these four State Governments, has planned focused interventions to tackle this problem. A matter of equally grave concern is the fact that the female to male ratio in several developed parts of the country, such as Punjab, Haryana, Gujarat, Maharashtra, and Delhi, is significantly lower than the All-India average, which itself has been declining over the past few decades. Parliament has strengthened the punitive provisions of the law against pre-natal sex determination. However, the time has come for the governments and civil society to launch a sustained campaign against the evil of female foeticide and infanticide. Another area of concern is the revival of polio in UP and some other States, which has frustrated our resolve to make India polio-free by 2001. In view of the alarming spread of Hepatitis-B in 15 States, pilot projects have been launched for providing children with the necessary vaccine.

54. Promotion of social justice and mainstreaming of the weaker sections and minorities has been the constant endeavour of my Government. One of the key strategies for ensuring this is through economic justice and employment-oriented educational assistance. In the current year over 18 lakh SCs, 5 lakh STs and 6 lakh backward class students have been awarded scholarships. Two new merit-based scholarships after 10th standard have been introduced this year – one in the name of Dr. Babasaheb Ambedkar and the other for physically challenged students. The various concerned Finance and Development Corporations have a challenging role to play to live up to their mandate.

55. To give a further thrust to the welfare and development of Scheduled Tribes, a Scheduled Area and Scheduled Tribes Commission has been set up. The last such Commission was set up in 1960. Similarly, after fifty years, a summary revision of Scheduled Tribes' list has been done under Article 342 of the Constitution, involving inclusion or exclusion of 142 communities. To give focused attention to the needs of Scheduled Tribes, it is proposed to set up a separate National Commission for STs by bifurcating the National Commission for SCs and STs.

56. The Ministry of Youth Affairs & Sports has finalized a new draft National Youth Policy. A National Youth Commission has been set up. Indian sportspersons deserve commendation on their spectacular performance in the 17th Commonwealth Games and 14th Asian Games. The decision to host the first ever Afro-Asian Games later this year will further promote sports in the country. I call upon our promising sportspersons and sports organizations to start preparing in full swing for the Olympics next year. Honourable Members, let us send our best wishes to the Indian cricket team playing in the World Cup tournament in South Africa.

57. The Government's commitment to electoral reforms is seen in the concrete legislative action undertaken last year. It showed that Parliament is responsive to people's concerns over criminalisation of politics. Further, the Representation of the People (Amendment) Bill, 2001 seeking to provide for open ballot system in respect of elections to Rajya Sabha for checking reported prevalence of money power in Rajya Sabha elections, and the Election and Other Related Laws (Amendment) Bill, 2002 providing election funding to political parties to check corruption and money power in elections, are pending before Parliament.

58. Judicial delays have been a cause for serious concern. To remedy this situation, nearly Rs. 500 crore have been allocated as special project and upgradation grant for judicial administration. This is the largest investment ever made for this purpose. Fast Track Courts in some States have improved the conviction rate. A concerted drive has been launched to fill about 2,000 vacant posts of Judges and Magistrates in District and Subordinate Courts.

59. The year gone by has seen a bouquet of initiatives to revive the glory of Indian culture. The much-needed synergy between Culture and Tourism has been brought to the fore by promoting a new concept of developing at least one Culture-cum-Tourist hub in each State. A number of monuments have been taken up for integrated conservation and development. All-round infrastructure development and public amenities around these complexes have been taken up in a big way. Kurukshetra, Red Fort, Ajanta, Ellora, Hampi, Humayun's Tomb, etc. are some of the examples. It is proposed to revive cultural tourism along the routes of the great Yatras of Adi Shankaracharya, Swami Vivekananda, and Mahatma Gandhi. Work is being undertaken to develop complexes along the route of the legendary river Saraswati. Many schemes have been taken up during commemoration of 2,600 years of the Janm Kalyanak of Bhagwan Mahavir. The Mahabharata Festival at Kurukshetra will now be held every year. Much of the ancient wisdom of India is stored in a large number of manuscripts available with institutions and individuals all across the country. A National Mission for Manuscripts has been recently launched with the aim of surveying, cataloguing, preserving and collecting these invaluable manuscripts in a National Manuscripts Library.

60. My Government will continue its vigorous efforts to use India's Foreign Policy to promote and safeguard our critical national

interests. Drawing on the strength of our civilizational and historical ties with countries across the globe, we will forge ahead towards broad-basing our political links, expanding our network of economic cooperation, strengthening strategic inter-linkages, and collaborating on cutting-edge technologies.

61. India has always striven for peaceful, friendly, and cooperative relations with all its neighbours. Unfortunately, Pakistan has consistently responded to our efforts with hatred and violence, sponsoring and actively supporting a sustained campaign of cross-border terrorism. Recent revelations have shown how every civilized diplomatic norm is being flouted by the use of its diplomatic mission in Delhi to arrange financing for terrorist groups in the country. We have had to take measures against the concerned diplomats, but have also reiterated that we would be willing to retain the level of our diplomatic representations by accepting replacements of the expelled officials. Our position remains unchanged that we are willing to resume bilateral dialogue with Pakistan, as soon as cross-border terrorism ends.

62. India's commitment to SAARC, as an engine for economic integration and equitable development in the region, remains undiluted. We have constantly pushed for progress on substantive aspects of the economic agenda outlined in the Kathmandu Declaration. We have repeatedly declared our willingness to attend the next SAARC Summit if meaningful progress is achieved on these issues.

63. India will continue to intensify its multi-faceted cooperation with Bhutan. Historical, cultural, and ethnic affinities have shaped our relations with Bangladesh and Myanmar. We are also implementing developmental projects with Indian assistance in Myanmar. With Bangladesh, we are also engaged in a dialogue on some important political and security issues that have arisen in our interactions. The visit of the Prime Minister to Maldives in September last year further enhanced our cordial relationship with that country.

64. Nepal is passing through a difficult phase of political changes and Maoist insurgency. We believe that multiparty democracy and constitutional monarchy are two essential pillars for stability, security, and development in Nepal. We hope that the current problems will be resolved within this framework, in a peaceful and consensual atmosphere. We have maintained an intensive political dialogue and fruitful economic cooperation with Sri Lanka. We continue to support efforts towards a solution of political problems in that country in a manner that preserves its territorial integrity and meets the aspirations of all segments of its population.

65. The people of India and Afghanistan have a legacy of close and historic ties of friendship and cooperation. We welcome the expansion and consolidation of the authority of the Transitional Administration and fully support the Government of Afghanistan. We look forward to receiving the President of Afghanistan on a State visit to India in the very near future. India will continue to extend extensive humanitarian, financial, and project assistance for Afghanistan's reconstruction.

66. The close ties of friendship between India and Iran were put on a stronger footing, when we hosted the President of the Islamic Republic of Iran as the Chief Guest at our Republic Day Parade this year. We want to expand, consolidate, and diversify our ties with Iran, which have a strategic dimension in the areas of energy and transit.

67. India's interactions with China have grown and diversified. Trade and economic cooperation are expanding rapidly. Efforts to build trust and understanding in other areas continue. The Prime Minister has been invited to visit China this year and has accepted the invitation. We continue to strengthen our bilateral relationship with Japan, pursuing the shared objective of building a Global Partnership. India's cooperation with the Republic of Korea continues to expand. We continue to monitor developments in the Korean Peninsula. Reports that the Democratic People's Republic of Korea resumed its nuclear weapon programme with the help of technology from Pakistan arouse serious concern, both about the security implications and about the double standards with which much of the world has handled the question of treaty obligations as well as proliferation issues.

68. India's traditionally warm relations with South East Asia have been reflected in our recent bilateral interactions, including the Prime Minister's visits to Cambodia, Laos, and Thailand. Our engagement with the region reached a qualitatively higher platform, when our interface with ASEAN was raised to the Summit level in November 2002. We are making good progress on the economic initiatives outlined at the India-ASEAN Summit in Phnom Penh.

69. India's deep-rooted relations with Central Asia have been enhanced by an identity of views on recent political and economic developments. India and the countries of Central Asia also have a shared determination to tackle the negative focus of terrorism, extremism, and drug trafficking, which stalk our common neighbourhood.

70. The Gulf region is of great importance to India. The region is a major source of India's energy needs and a major economic partner in trade and investment. Over 3.5 million Indians are engaged in the economic development of the Gulf countries. These multi-dimensional ties have been further strengthened and diversified through sustained interaction.

71. We share the concern of the entire world on the unhappy situation relating to Iraq. We have deep interest in peace, stability, and security in that region. We hope that the wisdom of the international community, expressed through the UN Security Council, will result in a peaceful resolution of this matter in a manner, which would benefit humanity.

72. My Government attaches great importance to the strategic partnership between India and the Russian Federation, which is enriched by regular political consultations, multi-faceted economic cooperation and intensive defence collaboration. During President Vladimir Putin's visit to India in December last year, we also signed a Memorandum of Understanding on Cooperation in Fighting against Terrorism.

73. India's engagement with countries in Europe continues to be broad-based and intensive. Regular exchanges of views on regional and international developments have promoted a better appreciation in these countries of our legitimate concerns and helped to revitalize our bilateral relationships. The India-EU Summit in Copenhagen strengthened our institutional dialogue with the European Union, which we will take forward at the next Summit meeting in India later this year.

74. India and the USA continue to forge a new relationship. There is a mutual conviction between the two countries that their bilateral relationship must undergo a qualitative transformation in order to respond to the increasingly complex challenges to the international security and strategic architecture. The two countries are also engaged in building closer bilateral consultations on multilateral social

and economic issues of mutual concern.

75. Africa continues to occupy a special place in our diplomatic interactions. This continent, which constitutes the largest group of countries in the United Nations, is also, increasingly, becoming an important economic partner for India.

76. Our bilateral relations with Latin America and Caribbean have grown considerably. The "Focus LAC" programme pursued since 1997 has resulted in increasing attention being paid to the region by the Indian public and private sector.

77. The Government's consistent efforts to nurture a close relationship with the overseas Indian community were highlighted by the celebrations of the first Pravasi Bharatiya Conference in January. On this occasion, we honoured ten eminent persons of Indian origin whose achievements in their countries of adoption and domicile have done our country proud. The Government has also decided to grant dual citizenship for persons of Indian origin living in certain countries. The necessary legislation for this will be introduced in this session.

78. Honourable Members, it is indeed heartening that the Winter Session of Parliament did exceptionally well in conducting its legislative business. During that session, both Houses passed as many as 42 Bills and I have accorded assent to all of them. The Government was able to bring forward several legislations last year, out of which 93 Bills have been passed, which also include important constitutional amendments. This is the highest number of enactment of legislations enacted in a single year during the last 25 years and the third highest since 1947. Apart from the fiscal agenda relating to the Railway and General Budgets, there is a heavy legislative business awaiting completion in this Session. I do hope that the Budget Session and all the subsequent sessions of Parliament will be as productive as the last one.

79. I wish you success in your endeavours.

JAI HIND

* The President delivered the Address in English

** (Also placed in Library, See No. L.T. 6958 /2003)