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Title: Discussion on the Supplementary Demands for Grants (General) for 2008-09.

MR. SPEAKER : Motion moved :

The question is:

"That the respective supplementary sums not exceeding the amounts on Revenue Account and Capital Account shown in the third column of the Order Paper be granted to the President of India, out of the Consolidated Fund of India, to defray the charges that will come in course of payment during the year ending the 31<sup>st</sup> day of March, 2009, in respect of the heads of Demands entered in the second column thereof against Demand Nos. 1 to 12, 14 to 25, 27 to 33, 35, 38 to 62, 64 to 74, 76, 77, 79 to 95 and 97 to 105."

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): Of the total cash outgo of Rs. 1,05,613.38, an amount of Rs. 1,04,243.98 crore, that is, 99 per cent of the cash outgo is on 13 major items, namely, (i) Fertiliser subsidy (Rs. 38,863 crore); (ii) VI Central Pay Commission Arrears and payment of bonus due to enhance bonus ceilings (Rs. 25,929.24 crore); (iii) Farmer's Debt Relief Fund (Rs. 15,000 crore); (iv) National Rural Employment Guarantee Scheme (Rs. 10,500 crore); (v) Additional Central Assistance including loan component, etc. (Rs. 4,296.87 crore); (vi) Food grains subsidy (Rs. 4,064 crore); ...(*Interruptions*)

SHRI BASU DEB ACHARIA (BANKURA): I will not allow it. You had called me. ...(*Interruptions*) You had called my name. ...(*Interruptions*)

MR. SPEAKER: Mr. Acharia, I had called you, but your Deputy-Leader did not allow you to speak, and the House did not allow you to speak. What can I do? You go on shouting.

...(*Interruptions*)

SHRI P. CHIDAMBARAM : (vii) Payment to International Monetary Fund for India's quota increase (Rs. 2,912.67 crore); (viii) Imported Edible Oil Subsidy (Rs. 1,000 crore); (ix) contribution for the social window of South Asian Association for Regional Cooperation Fund (Rs. 598.20 crore); (x) Pass Through Assistance to Delhi Metro Rail Corporation Limited (Rs. 400 crore); (xi) settlement of pending claims of Interest subvention in respect of Rupee Export credit (Rs. 300 crore); (xii) construction of permanent shelters for Tsunami affected victims (Rs. 200 crore), and Technology Upgradation Fund Scheme, etc. (Rs. 180 crore). ...(*Interruptions*)

MR. SPEAKER: I have called you, Mr. Acharia. What can I do? Nobody is cooperating with the Chair. I called you and everyone else.

...(*Interruptions*)

MR. SPEAKER: No, I cannot go on like this.

...(*Interruptions*)

MR. SPEAKER: Now, I would like to call Mr. Ananth Kumar to speak.

...(*Interruptions*)

MR. SPEAKER: I will earnestly appeal to all. This is a very important discussion.

...(*Interruptions*)

HRI ANANTH KUMAR (BANGALORE SOUTH): Mr. Speaker, Sir, I rise to speak on the Motion of Supplementary Demands for Grants (General). ...(*Interruptions*)

MR. SPEAKER: Only the speech of Mr. Ananth Kumar will be recorded.

*(Interruptions)\** !

SHRI ANANTH KUMAR : Sir, the highlight of this Government ...*(Interruptions)*

MR. SPEAKER: I will appeal to all that this is a very important discussion.

...*(Interruptions)*

MR. SPEAKER: I will allow you tomorrow. What can I do?

...*(Interruptions)*

MR. SPEAKER: Mr. Acharia, you are a senior Member of the House. Please allow him to speak.

...*(Interruptions)*

अध्यक्ष महोदय : आप लोग बैठिए।

...*(व्यवधान)*

MR. SPEAKER: Mr. Ananth Kumar, please give me one minute. I am sorry.

...*(Interruptions)*

MR. SPEAKER: Please go and take your seat.

...*(Interruptions)*

SHRI N.N. KRISHNADAS (PALGHAT): Sir, we have a notice. ...*(Interruptions)*

MR. SPEAKER: Please go and take your seat. I appeal to you. Please do it for the sake of our old relations.

...*(Interruptions)*

SHRI N.N. KRISHNADAS : We have not come to the well of the House so far. ...*(Interruptions)* This is a serious matter concerning our State. This Government is ...*(Interruptions)*

\* Not recorded.

MR. SPEAKER: Will you please go to your seat?

...*(Interruptions)*

MR. SPEAKER: I do not know.

...*(Interruptions)*

अध्यक्ष महोदय : हाथ जोड़कर सुबह हमने एक-एक करके बुलाने की कोशिश की। आचार्य जी, आप तो लीडर [r10] हैं। You should set examples for others. I had called you, Mr. Acharia, but you could not speak one word not because of me. One word could not be heard by anybody. I found that your Deputy-Leader was more anxious to disturb you than others. I told him this also from the Chair.

...*(Interruptions)*

MD. SALIM (CALCUTTA – NORTH EAST): It is unfortunate. You are here to protect the rights of the Members, and not for the Government. ...*(Interruptions)*

MR. SPEAKER: I also asked everybody and requested everybody.

...*(Interruptions)*

MD. SALIM : You have to ensure protecting the right of the Members to speak. The Members have the right to speak in the House. ...*(Interruptions)*

MR. SPEAKER : Everybody can show red-eyes to the Speaker.

...*(Interruptions)*

SHRI BASU DEB ACHARIA (BANKURA): Sir, I was not able to speak when you called my name in the House. ! *(Interruptions)*

MR. SPEAKER: It is not my fault if you could not speak. Now, I have called him.

...(Interruptions)

SHRI BASU DEB ACHARIA : We are in the House to raise the issues of the people. Where will we go if we are not allowed to raise it here? ...(Interruptions)

MR. SPEAKER: You are most unfair.

...(Interruptions)

SHRI N.N. KRISHNADAS : This Government has not been able to control it...(Interruptions) Why are we coming here if we cannot raise it? ...(Interruptions)

SHRI ANANTH KUMAR : Mr. Speaker, Sir, I rise to speak on the Motion of Supplementary Demands for Grants (General). ...(Interruptions) The highlight of this Government in the last 4 ½ years is mismanagement. ...(Interruptions)

MR. SPEAKER: You are making a mockery of this Parliament.

...(Interruptions)

SHRI ANANTH KUMAR : They have mismanaged the economy; they have mismanaged the National security; they have mismanaged the nuclear sovereignty of the country; and they have mismanaged the entire things. Therefore, ...(Interruptions)

MR. SPEAKER: I will take the Urgent Matters at the end of the day.

...(Interruptions)[\[r11\]](#)

SHRI ANANTH KUMAR : Sir, the Motion is bound to be passed, but the present UPA Government, and I say present because the people of this country who are fed up with the economic mess created by the UPA in the last five years will ensure that the UPA is absent from the Treasury Benches in the next elections.

Yesterday, the hon. Prime Minister made a *suo motu* statement on the floor of the House where he informed the country through this august House that the UPA Government was fully in control of the economic situation and spoke of a series of measures this Government has taken.

Then, one is bound to ask, "Why have the markets not reacted positively to these measures?" Why is the Prime Minister himself sending out warnings like, "slowdown, downturn" to the people? ...(Interruptions)

#### **14.05 hrs.**

*(At this stage, Shri Brajesh Pathak and some other hon. Members came and stood on the floor near the Table.)*

SHRI ANANTH KUMAR : I am sorry to say that the Prime Minister has underestimated and belittled the gravity of the economic slowdown in the country. India has felt not just the "ripple effect" of the crisis in the global financial system, but its "tidal wave effect". The Sensitive Index (Sensex) of the Bombay Stock Exchange has fallen from the 21<sup>st</sup> floor to the 10<sup>th</sup> floor, that is, from 21,000 to 10,000. The investor wealth, measured in terms of market capitalisation of all the listed companies together has dipped to about Rs. 36.5 trillion as against close to Rs. 73 trillion on January 10 of this year, when the Sensex had scaled its lifetime high.

To think that this has not affected the investment climate in the country is to live in a fool's paradise. To think that this has not affected jobs is to turn a blind eye to the reality.

MR. SPEAKER: Shri Ananth Kumar, if you have a written speech, you can file it.

SHRI ANANTH KUMAR : Mr. Prime Minister, it is not just the loss of jobs in Jet Airways which, of course, captured the attention

of the print and TV media. But look at the loss of tens of thousands of jobs in the construction industry which has seen a big slump in the past couple of months; same is the case in transportation, steel and cement. The media does not report about jobs in these sectors. The media does not report about retrenchment of contract workers. But if those in the Government, therefore, think that everything is hunky-dory, then one can only pity them.

The Index of Industrial Production (IIP) released earlier this month shows that India's industrial growth has plummeted to 1.3 per cent in August from 10.9 per cent in the same month in 2007. In the months to come, it is likely to become negative. Hence, a large number of people in manufacturing will lose their jobs.

Should not somebody be held responsible for this simultaneous onslaught of inflation and recession on the Indian economy?

Prime Minister Dr. Manmohan Singh spent almost all his time and energy on the Indo-US Nuclear Deal. He, therefore, had no time to look at the dark clouds hovering over the Indian economy. We may not have imported any nuclear reactors from America, but India has certainly imported the crisis in America's financial system.

Who is responsible for this crisis? Is it Dr. Manmohan Singh who is the Prime Minister of this country, Dr. Montek Singh Ahluwalia, the Deputy-Chairman of the Planning Commission or is it Shri P. Chidambaram, the Finance Minister?

We have seen a number of articles, editorials, opinions, suggestions analyzing the present scenario, but the basic fact remains that this Government was sleeping when clear indications of the crisis was evident many months ago. If the hon. Prime Minister and the Finance Minister say that these are factors beyond their control, then I clearly accuse them of misleading the nation, as they have done so many times in the recent past. ...(*Interruptions*)

MR. SPEAKER: A very important discussion is taking place.

...(*Interruptions*)

SHRI ANANTH KUMAR : This is neither a Monsoon Session nor a Winter Session; this is the last part of the Monsoon Session and the first part of the Winter Session. For the first time, in the history of India, this UPA Government has clipped the wings of democracy. ...(*Interruptions*)

SHRI N.N. KRISHNADAS : If we are not allowed to raise the issues, then why should we come here?

MR. SPEAKER: Precisely that is the question which the people of the country are asking. I hope they are noticing how you are behaving.

...(*Interruptions*)

SHRI ANANTH KUMAR : This Government is famous for taking credit for anything right that happens in the country and equally infamous for putting the blame of mismanagement and poor governance on somebody else. I am surprised that they have not taken the credit for Abhinav Bhindra's Gold Medal in the Olympics and Sachin Tendulkar crossing 12,000 runs in test cricket. It is because in the same breath, they say that increased terrorism in the country, skyrocketing prices, failure on the agriculture front, food crisis, increased secessionism in J&K, failure to protect our borders from incursions and territory capture, all these are somebody else's fault and due to factors beyond their control.

MR. SPEAKER: Shri Ananth Kumar, you can lay down the rest of your speech.

SHRI ANANTH KUMAR : Sir, I lay down the rest of my speech on the Table of the House.

MR. SPEAKER: The speech which has been laid on the Table of the House will be recorded.[\[r12\]](#)

□ SHRI ANANTH KUMAR : They say the current economic crisis is due to the Global meltdown – to that I ask

- Could they not see this crisis coming? The indicators were there from the time the sub-prime crisis hit the US financial sector last year.
- Could they not see that this would hit the FII's who, as everybody knows, led the downside in the Indian Markets?
- Could they not see that External commercial Borrowings would reduce to a trickle as financial markets abroad got tighter – this has not happened recently!!
- Could they not see that rising interest rates would hit the credit starved Industry further – it has also led to a downturn in demand – people today do not have the liquidity. They have been hit by inflation from one side and lack of liquidity

on the other side.

Where is the aam-aadmi today??

- Today does the "AAM-AADMI" & his family get as much to eat as earlier?
- Today can the "AAM AADMI" afford any savings from his meager income due to the high cost of all commodities?
- Today can the "AAM –AADMI" think of borrowing money to build a House – or buy a vehicle?
- Today can the AAM AADMI send his children for shopping in the market without the fear whether they will return safely?
- Today, if he is a farmers, does "AAM-AADMI" get relief in terms of credit, relief from floods or drought;

**AND WHERE IS KALAWATI TODAY?** I am sure this House will be interested in knowing the plight of this lady in the present times.

Interest rates have gone through the roof-house loans were available during the NDA regime through commercial institutions as low as 7% today the same is double.

I will refer to an article written by the present Finance Minister Shri P. Chidambaram reprinted in his book: "**A VIEW FROM OUTSIDE- why good economics works for everyone**".

In the section on Monetary Policy at page 100 while speaking on inflation, he has said and I quote – "Low interest rates means enormous savings to the Government. Low interest rates also mean lower lending rates, which will undoubtedly give a boost to investment and production.

He also goes on to agree with John Maynard Keynes who said: "*Inflation is the form of taxation which the public find hardest to evade and even the weakest government can enforce when it can enforce nothing else*".

It is famously said – "**When Rome was burning, Nero was fiddling**". The present Prime Minister and Finance Minister have done nothing better! It is an apt phrase for the UPA government. In the Mahabharata, Dharmaraja asks the venerable Bhishma, "Whether the king and his policies are responsible for the condition of the people or the prevalent circumstances are responsible", to which Bhishma replies, "**Raaja Kalasya Karanam**" which means that the King is responsible for the condition the people live in.

We have seen how world leaders have come forward in their own countries and taken bold & pro-active decisions, after working jointly with the Opposition parties, in their countries to combat the financial problems that they are facing. This Government's story was always been of – too little, too late. And also it has exhibited arrogance that reminds of Foreign Rule that India was once under.

Time & again, we have seen, during the tenure of the UPA Government, whether it is dealing with terrorism, or with secessionist movements in the Kashmir & the North-East, or dealing with the grave situations caused by flood or drought, or the current economic crises or danger posed to our sovereignty by loss of territory – as in Arunachal Pradesh. It has always exhibited its incompetence & inability and its arrogance.

The only competence they have exhibited in the recent past is when they managed to save their Government in the Confidence vote by engineering defections using all the means possible. They continue to cling to power – by hook or crook –crook sounds more appropriate!

The fear that this Government may collapse any day is a reality – otherwise they would never have called this session as the continuation of the previous one. They are afraid of facing another confidence motion knowing very well that they will not survive.

Their all DMK's members have resigned en-mass taking the excuse of the condition of Tamil civilians in Sri Lanka were they not aware of the Human Rights Issues of Tamil earlier? Today, the Hon'ble External Affairs Minister Shri Pranabda is being sent to Sri Lanka being sent to Sri Lanka because of the crisis in UPA. The Samajwadi Party through Shri Amar Singh has already shown the love-hate relationship he has with the Congress. They have misled the House and the people of this country on the Nuclear Deal and the Left Parties left them. They have lost almost every state in which they were in power which have gone to the polls after 2004.

MR. SPEAKER: Shri B. Mahtab, have you got a written speech? If you have got a written speech, you can lay it on the Table of the House.

...(Interruptions)

अध्यक्ष महोदय : इनके नाम लिख लीजिए।

HRI B. MAHTAB (CUTTACK): Mr. Speaker, Sir, I rise to deliberate on the Supplementary Demands for Grants in respect of the Budget (General) for 2008-09.

Yesterday, we heard with rapt attention the Prime Minister' Statement to mention here that 28 months ago, on 20<sup>th</sup> June, 2006, the Sensex crossed 21,000 mark. Last Friday, it fell below the 10,000 mark. The prevailing sentiment in June, 2006 was greed. In October, 2008, it is fear supported by worsening economic data. After greed and fear, can hope come?

**14.14 hrs.**

(At this stage Shri Brajesh Rathod and some other  
hon. Members went back to their seat)

â€¦(व्यवधान)

श्री ब्रजेश पाठक : इतने महत्वपूर्ण विषय पर आप हमारी बात सुनना नहीं चाहते हैं। हम बहुजन समाज पार्टी की ओर से सदन का बहिष्कार करते हैं।

**14.14 hrs.**

(At this stage Shri Brajesh Rathod and some other  
hon. Members left the House)

SHRI B. MAHTAB : Today, the Government is truly in a fix. Neither it has funds nor there is faith in this Government. After claiming economic success and promising an extraordinarily high rate of growth for past four and a half years, this UPA Government has placed itself into a corner and has brought the country frightfully close to economic disaster.[\[r13\]](#)

MR. SPEAKER: Only Shri Mehtab's statement would be recorded, nothing else

(Interruptions) â€¦ \*

MR. SPEAKER: I am thankful to you for your cooperation, hon. Members.

(Interruptions) â€¦ \*

\* Not recorded

SHRI B. MAHTAB : Fundamentals of the national economy have been weakened to such a point where industrial growth has fallen dramatically and agriculture continues to decline. The stock market has crashed. The flawed policy of trying to beat back inflation by introducing credit squeeze and mopping up liquidity has left every sector battered and bruised. â€¦ (Interruptions) It has definitely not helped ease inflationary pressure. ... (Interruptions) In June, 2006 inflation was 5.21 per cent. Rupee was traded at Rs.46.06 to a dollar. The currency touched Rs.39 in 2007 and now, it is threatening to touch Rs.50. The rupee has lost more than 19 per cent this year, the most when an acute balance of payment crisis forced the nation to pawn its gold with IMF to

pay for imports in 1991.

It has been more than seven months since our country has been entangled in rising headline inflation, measured by year-on-year changes in the Wholesale Price Index (WPI). In terms of duration, the present price spiral is the longest since 2000-01.

**14.17 hrs.**

*(At this stage, Shri Basu Deb Acharia and some other  
hon. Members left the House.)*

MR. SPEAKER: You are luckier than Shri Ananth Kumar, Shri Mahtab.

I am thankful to him for his cooperation.

SHRI B. MAHTAB : Banks are pulling back on lending. Jobs are scarce and commodity prices are tumbling. At this juncture monetary and fiscal authorities are no longer shy about using their ultimate weapon, that is, infinite borrowing capacity, to keep the financial system in operation. That means money is being thrown into the banking system as if there is no possible inflationary tomorrow to worry about. This is a dangerous proposition.

In theory, Government will do everything to promote price stability, no doubt, but even if you want to, you will have to move much faster to raise rates and restrict lending than you have in recent recoveries.

The question that is on everyone's lips today is, inflation is raging; stock prices are plunging; everyone is worried. What has caused the inflation? Can it be tamed?

I am reminded of Reserve Bank of India's first quarterly review of Monetary Policy for 2008-09 where there were a few words of caution regarding the excessive expansion of credit provided by some banks. The Central Bank, in the interest of - I quote: "overall systemic stability" called for a review of banks' business strategies with an emphasis on credit quality. Some 11 months ago, Mr. S.S. Tarapore had warned that India may be heading towards its own home-grown sub-prime crisis. This suggestion was dismissed as alarmist by many. What do we hear from the Prime Minister yesterday? Was not there a reason to believe the evidence warranted those words of caution at that time? Three trends in the domestic credit market needs to be evaluated before the situation steps out of hand. [\[r14\]\[p15\]](#)

The first is the pace of expansion of retail credit. Non-food gross bank credit has been growing which has exposed scheduled commercial banks to the credit market. The second is, sharp increase in the retail exposure of the banking system. Personal loans that were outstanding had risen from Rs.2,56,348 crore at the end of March 2005 to Rs.4,55,503 crore at the end of March 2007. So also, housing loans, credit card outstanding, auto loans, loans against consumer durables and other personal loans. Overall, these loans amounted to more than one-quarter of non-food gross bank credit outstanding. Are we not aware that the expansion of the universe of borrowers brings in a large number with insecure jobs? A client with a reasonable income today may not earn the same income when circumstance changes. The third is, securitization of personal loans. It is reported that by November 2007, there was a little more than Rs.40,000 crore of credit that was of sub-prime quality, a default on which could trigger a banking crisis. Banking system is today exposed to sensitive sectors, like the capital, real estate and commodity markets. By the end of financial year 2007, the exposure of the scheduled commercial banks to the sensitive sectors was around a fifth of aggregate bank loans and advances. Do our banks have the wherewithal to absorb sudden losses in these high risk sectors? Was it not reported by Parthasarathi Shome in October last year, the then Economic Advisor to the Finance Minister that Indian banks have lost around \$2 billion on account of the sub-prime crisis in the US? It may have been a guess, but what is the actual? Can the Finance Minister tell us?

The problem today is that economic circumstances are changing with inflation ruling high, interest rates rising and growth expected to slow down. Further a global slow down will adversely impact our export growth. The slow down will result in adverse income effects that will increase defaults on personal loans. Is it not prudent now to return to Tarapore's words of caution and act before the situation deteriorates, a point where a US-style melt down visits India? That may require re-thinking liberalization as well. But it may be better to start now, rather than wait for failures to visit us. One may say that the current inflation is imported and fuelled by speculation; rich countries are exporting inflation to us. But what about our own undoing? They no longer wish to invest their money in manufacturing assets. Their idle funds are being used for speculation. But are we insulating ourselves from their impact? Can we fight inflation by increasing domestic interest rates or reducing domestic money supply while giving a free run to foreign money supply?

In the past one month, the RBI has cut its Cash Reserve Ratio, CRR or the money that banks need to keep with the Indian Central Bank by 250 basis points, releasing Rs.1 trillion. It has temporarily allowed commercial banks to hold 23.5 per cent of their

deposits in Government bonds, instead of 25 per cent required under banking law, to generate liquidity. The interest rates on non-resident Indian deposits have gone up by 100 basis points to attract funds from overseas at a time when foreign institutional investors are pulling out of Indian equities. [\[p16\]](#)

[\[R17\]](#)

One is prompted to ask what else can RBI do, especially when it is going to review its monetary policy on 24<sup>th</sup> October? This review, I would say, has also its relevance as the Reserve Bank of India has been announcing monetary measures almost every day. Besides, at this critical juncture, RBI does not seem to have an independent voice. The former Finance Secretary of India is the RBI Governor now and nobody should grudge it. After the CRR cut, the banking system has about Rs.10,000 crore excess liquidity but banks are nervous and as individuals they are not sure how long will this liquidity last. The biggest challenge before RBI today is to address the risk aversion of banks and restore confidence in the system. Banks will start lending only when they are sure that there would not be any liquidity problem tomorrow and RBI must allow this comfort for them.

The current liquidity will not last unless the Central Bank stops selling dollars in the foreign exchange market. RBI may continue to sell dollar to protect the fall of our currency and for every dollar it sells an equivalent amount of rupee is sucked out from the system. Can the RBI convince the market that there will be more CRR cuts to make money available for the system?

It also needs to cut SLR if it wants banks to lend. RBI needs to cut the policy rate. Today, it seems RBI's real worry is growth and financial stability not inflation. The Prime Minister has said that the financial crisis and economic slow down is likely to have an indirect impact on the Indian economy. The reluctance to tell the truth even at this juncture is rather disturbing. Is it too scary to admit or too tough to grasp?

It is depressing to see how quickly things are unravelling and how in the name of addressing the liquidity crisis, bizarre decisions which would have no impact on the immediate issue, like reopening of the participatory notes, have been taken.

Left unchecked, populist solutions would aggravate the problems at hand. Long term damage to India's economy and image would be colossal. There is a need, therefore, for all to come together and use the crisis to initiate measures that raise not only short-term liquidity and relieve pressure on the rupee but also long-term reforms. You need to reconfirm investor confidence. That would reverse capital outflow.

I would now refer to another aspect. The Global Hunger Index reported last week that more than 200 million Indians live in hunger and that 47 per cent of Indian children are malnourished. This is despite our economy growing at eight per cent annually since 2002, three-quarter of our population lives on Rs.25 a day. These are sickening figures. India has been ranked 66<sup>th</sup> amongst 88 countries as reported by the International Food Policy Research Institute.

This taints, if not belies, India's claim of being the fastest growing free market democracy. While the growing levels of consumerism surpass all logical levels of indulgence, there is the grim reality of abject hunger and poverty. [\[R18\]](#)[\[R19\]](#)

India is home to the largest number of hungry people today. Nutritional health indicators put India on par with sub-Saharan Africa. For a country which won freedom six decades ago, freedom from hunger still remains a chimera. Hunger is not caused by food shortage alone. Mismanagement of food reserves is the cause. Millions go to bed without food when FCI godowns are flowing with foodgrains. We have the *Annapurna Yojana*, the *Antodaya Annya Yojana*, the Food for Work and the Mid-day Meal schemes but the benefits are too few and too scarce.

As hunger is linked to the lack of purchasing power, we have policies that promote poverty and perpetuate denial and inequalities. We have a picture today of the incidence and distribution of hunger across 17 States accounting for 95 per cent of India's population. It is not only Madhya Pradesh like States which are in the "extremely alarming" category, States like Punjab, Kerala, Andhra Pradesh are also in the "serious category".

Over the past 15 years, economic policy has been focussed on integrating India with the rest of the world *via* trade liberalisation. It has been characterised with global standard of "economic freedom" meaning free markets. While it is not necessarily always undesirable, economic policy has systematically neglected the fundamental weakness of the Indian economy, which is the failure to produce food cheaply. Food remains expensive in India. The rise of the West is the sustained original revolution in the production of food. Cheaper food is the lever of riches, for it releases purchasing power and makes industry and services flourish. This Government has failed in this front also.

It is reported by Oxfam, an international agency that higher food prices have not helped small farmers in developing countries. Higher food prices mean people are eating less and lower quality food. Children are taken out of school, farmers are being forced



to migrate to cities to live in slums. Women are especially vulnerable because they rarely own land and have limited access to credit. Misguided policies, unfair trade rules and poor economic advice has created a situation where big traders and super markets are growing and are gaining from price rise and small farmers and consumers are losing out.

Sir, I would now refer to the suggestion of the Comptroller and Auditor General. Very recently that report has come out which has said that Centre's policies of deferred subsidy payments to oil and fertilizer companies are not fair and transparent. This is a very serious indignation. I would like to know whether the C&AG has asked the Finance Ministry that if it wants to subsidise loss-making companies, then it should provide the subsidy upfront rather than continuing with the fiscal indiscipline.

Issuing bonds without a provision for resources to meet future obligations actually transfers the burden to the next generation. Why make our children foot the bill for us? Is it not against inter-generational equity and financial discipline? Why not give subsidy direct treating it as a liability? You issue oil and fertilizers bonds and only pay the interest now. In 2008-09 Budget, the Finance Minister has disclosed the amount of bonds issued to fertilizer and oil companies as a foot note and not directly under the head "Expenditure". [\[R20\]](#)

Recognising this that expenditure would no doubt affect the fiscal deficit, why did the Finance Minister say that oil, food and fertiliser bonds were below the line? Do you have a road map for including the subsidy in the budget?

I would conclude by saying that you may pat yourself for high economic growth but performance in human development front leaves much to be desired. When crisis strikes, trust is the leader's only currency. Leaders at every level need to build trust everyday, not waiting for a crisis to start and then think about it. Despite receiving warning signals, in spite of sane advice, this Government thought it fit to live in a fool's paradise. Who can save them now? The tragedy is, for their folly, the whole nation has to suffer.

ROF. M. RAMADASS (PONDICHERRY): Respected Sir, I rise to support the Supplementary Demands for Grants moved by the hon. Finance Minister. The Finance Minister has come before the House for an authorization of a sum of Rs. 2,37,287 crores and Rs. 84 lakhs towards defraying several charges which will come in the course of payment during the financial year.

I feel that the discussion on the Supplementary Demands for Grants should be confined to the justification of various items on which expenditure are to be incurred by the hon. Finance Minister. After the perusal of various items of expenditure for which the Finance Minister has asked for, the authorization of this House appears to be justified in the light of the various programmes launched by the Government in the last six months. The UPA Government has done its best to subserve the needs of the society and the needs of the growing Indian economy. Therefore, all the expenditure asked by the Finance Minister needs to be supported.

This Government, after realizing the rigors of inflation has taken timely steps. Both monetary and fiscal measures have been taken promptly by the hon Finance Minister. Even in the context of the global recession or the financial crackdown at the world level, it was the alacrity and timeliness of the Finance Minister which have saved the Indian economy. It may be true that the growth rate may slow down to some extent from the expected rate of 8.1 per cent to 7.5 per cent. But for the actions taken by the Reserve Bank of India as well as the Ministry of Finance, the situation would have become worse and the collapse would have been greater. Therefore, we must congratulate the hon. Finance Minister as well as the Reserve Bank of India for taking monetary and fiscal measures in a combined manner to save this country and set the growth rate at 7.5 per cent which can be enhanced in due course of time after the recovery takes place.

Therefore, the Supplementary Demands that have been asked for come to the rescue of the Government to carry out various programmes of social security net which is required by the poor people. For example, the National Rural Employment Guarantee Programme initiated by the Government of India has created a great impact in the rural areas today. Although the programme is beset with certain difficulties, we note that there is a rejuvenated feeling among the downtrodden and poor people in the villages that the Government is there to provide succour and relief to the people. The downtrodden and hapless people in the rural areas think that they are assured of at least Rs. 8000 per year as the purchasing power with the help of which they can live. Therefore, there is a kind of enthusiasm among the people created by the Government and it is but natural that the Finance Minister has provided an enhanced provision for the implementation of the programmes of rural [\[U21\]](#)development.

Another Programme which has created a great impact in the rural areas is the National Rural Health Mission, which has now tried to provide easy access to health care for the poor people, the uncared-for people, people who have never had access to a rural hospital or a primary hospital with modern facilities. Today they feel that their interests are being taken care of, thanks to the

National Rural Health Mission.

Let me come to agriculture sector. Today the agriculture sector is reviving itself. The favourable monsoon condition and the various policy measures taken by the Government by the Government of India, in the form of provision of cheap and adequate credit to the farmers, the loan waiver scheme have created congenial atmosphere for the farmers and the farming community, which is now trying to increase the output. Once the output increases in the agriculture sector, it will have a soothing effect on the price level. There is no denying the fact that the price level runs very high today. But the price level after reaching a high, has now started declining. We hope that in the next four or five months price stability will be attained and the people will feel happy.

Therefore, the Finance Minister's request for this amount may please be authorised. We must congratulate the Government as well as the hon. Prime Minister for bringing out the historic Deal with the USA, which is likely to accelerate the development of our country. With this Supplementary Demands for Grants, we hope that the Indian economy would revive. Let us congratulate the Government for bringing out this Supplementary Demands for Grants.

**श्री. रामजीलाल सुमन (फ़ियोज़ाबाद) :** महोदय, छः महीने पहले इस सरकार ने 7,50,884 करोड़ रूपए का बजट प्रस्तुत किया था। मोटे तौर पर बजट में पूरे वर्ष का लेखा-जोखा होता है। वित्त मंत्री जी अनुदानों की पूरक मांगें लेकर सदन के सामने आए हैं। इससे यह बात स्पष्ट हो गयी है कि हमारे बजट में पूरे वर्ष के लिए जो अनुमान थे, वे कहीं न कहीं गलत निकले। मैं आपके माध्यम से यह निवेदन करना चाहूंगा कि गैर-योजनागत व्यय में जिस प्रकार से कटौती की जानी चाहिए, वह कटौती नहीं की गयी है। 2,07,781 करोड़ रूपए की अनुदान की पूरक मांगें रखी गयी हैं, उसमें भी योजनागत व्यय सिर्फ 29,563.94 करोड़ रूपए है और गैर-योजनागत व्यय 2,07,781 करोड़ रूपए है। मेरा आपके माध्यम से सरकार से निवेदन है कि इस गैर-योजनागत व्यय में कटौती की कोशिश करनी चाहिए।

अध्यक्ष महोदय, तेल कंपनियों को अनुदानों की अनुपूरक मांगों से 65,942 करोड़ रूपए दिए जा रहे हैं। मैं आपके माध्यम से सरकार से निवेदन करना चाहूंगा कि जब अन्तर्राष्ट्रीय बाजार में कच्चे तेल का दाम 146 डालर प्रति बैरल तक पहुंच गया, तो सरकार ने पेट्रोलियम उत्पादों के भाव बढ़ा दिए और आज स्थिति यह है कि अन्तर्राष्ट्रीय बाजार में कच्चे तेल की कीमतें लगभग आधी रह गयी हैं। इसलिए मेरा आपसे आग्रह है कि जहां एक ओर आप तेल कंपनियों का ख्याल रखते हैं, वहीं दूसरी ओर आम उपभोक्ताओं का भी ख्याल रखना चाहिए। जब अन्तर्राष्ट्रीय बाजार में कच्चे तेल के दाम कम हो गए तो सरकार को चाहिए कि इन परिस्थितियों में उपभोक्ता को भी सस्ता पेट्रोल, डीजल आदि देने की कोशिश करे।

अध्यक्ष महोदय, उर्वरक पर सब्सिडी देने की जो व्यवस्था की गयी है, वह 52,863 करोड़ रूपए है। उर्वरक पर सब्सिडी के लिए सरकार ने पैसे की जो आवश्यकता आंकी है, वह 52,863 करोड़ रूपए है, जबकि अनुदानों की मांगों में इसके लिए 14,000 करोड़ रूपए की व्यवस्था की गयी है। मैं समझता हूँ कि यह राशि कम है। सरकार ने तमाम कमेटियां बनाई हैं। उन कमेटियों ने संस्तुति दी कि सब्सिडी का सीधा लाभ किसान को मिलना चाहिए। तमाम कमेटियों की सिफारिशें आने के बाद वित्त मंत्री जी ने भी उसे स्वीकार किया है। इसके बावजूद भी इस सब्सिडी से किसान सीधे तौर पर लाभान्वित नहीं हो रहा है। मेरा आपके मार्फत सरकार से विनम्र आग्रह है कि सब्सिडी देने का तरीका इस तरह का हो जिससे किसान को लाभ मिले। मैं समझता हूँ कि सरकार को इस पर विचार करना चाहिए।

जहां तक जल संसाधन का सवाल है, उसके लिए 77.7 करोड़ रूपए की आवश्यकता वित्त मंत्री जी बताते हैं।[\[R22\]](#)

[\[R23\]](#)

इसमें जो 77.78 करोड़ रूपए की व्यवस्था की गई है, उसमें गैर-योजनागत व्यय 58 करोड़ रूपए है और योजनागत व्यय सिर्फ 19 करोड़ रूपए है। जल हमारी खेती का पूरा है। हमारे देश में जितने जल की आवश्यकता है, उतना जल हमारे देश में उपलब्ध है, लेकिन असल व्यवस्था है जल संकय की। बार-बार कहने के बावजूद भी इस ओर सरकार द्वारा जितना ध्यान दिया जाना चाहिए, उतना नहीं दिया जा रहा है। इसलिए जल प्रबंधन को और दुरुस्त किए जाने की आवश्यकता है।

हमारे देश में कृषि सबसे बड़ा रोजगार देने वाला क्षेत्र है। उसमें 2 लाख 37 हजार करोड़ रूपए की व्यवस्था वित्त मंत्री जी ने आंकी है। लेकिन इन अनुदानों की अनुपूरक मांगों में उसके लिए सिर्फ 276 करोड़ रूपए की व्यवस्था की है। उसमें भी 254 करोड़ रूपए गैर-योजना व्यय के लिए है। यह राशि नहीं के बराबर है। कृषि से हमारे देश को सबसे अधिक रोजगार मिलता है इसलिए सरकार को इस ओर ध्यान देना चाहिए। इस क्षेत्र के माध्यम से हम बेरोजगारों की बेरोजगारी दूर कर सकते हैं। मैं कहना चाहता हूँ कि अनुदानों की अनुपूरक मांगों में कृषि पर जितना ध्यान दिया जाना चाहिए था, वह नहीं दिया गया है।

राष्ट्रीय ग्रामीण रोजगार गारंटी योजना के तहत ग्रामीण क्षेत्रों में बेरोजगारी दूर करने की बात कही गई है। उसके लिए 21 हजार करोड़ रूपए की व्यवस्था करने की बात सरकार ने कही है, लेकिन इन अनुदानों की अनुपूरक मांगों में उसके लिए केवल 10500 करोड़ रूपए की ही व्यवस्था की गई है। मेरा सरकार से विनम्र आग्रह है कि खर्च करने की प्राथमिकता सुनिश्चित होनी चाहिए। आम आदमी को जिससे सुविधा मिल सकती है, बेरोजगारी दूर हो सकती है, उन क्षेत्रों की तरफ खास ध्यान देना चाहिए। जैसे कृषि है, जल संसाधन है, छोटे उद्योग हैं और कृषि पर आधारित उद्योग हैं, मैं उम्मीद करता हूँ कि सरकार भविष्य में इसका ख्याल रखेगी। इसके साथ ही मैं इन अनुदानों की अनुपूरक मांगों का समर्थन करता हूँ।

HRI KHARABELA SWAIN (BALASORE): Mr. Speaker, Sir thank you very much for giving me this opportunity.

Now, even though it is Supplementary Demands for Grants (General), yet since after the statement of the state of economy of the

country made by the hon. Prime Minister yesterday, we did not get any opportunity to have a debate on the statement that he made. I do not think that we will get any opportunity in this truncated Session. ...(*Interruptions*)

MR. SPEAKER: But I have not got any notice on this subject. I have not yet received any notice so far. As soon as the statement was over, I invited notices from the hon. Members. I welcome one from you also.

...(*Interruptions*)

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): Shri Swain, you please give notice.

SHRI KHARABELA SWAIN : So, we thought that at least we grab this opportunity to make some comments on the state of the economy made by the hon. Prime Minister. ...(*Interruptions*)

MR. SPEAKER: Why not? You are entitled to it. I am sure the country would be happy to know your views on this.

...(*Interruptions*)

SHRI KHARABELA SWAIN : Anyway, somehow, I am lucky that I got some opportunity to speak which Shri Ananth Kumarji could not get even though he spoke for some time. ...(*Interruptions*)

MR. SPEAKER: Well, I admire his valiant attempt! I am thankful to him for his cooperation and his speech will be fully recorded.

...(*Interruptions*)

SHRI ANANTH KUMAR : Sir, thank you very much. ...(*Interruptions*)

SHRI KHARABELA SWAIN : But we did not know what he actually spoke even though I was just sitting next to him. ...(*Interruptions*)

MR. SPEAKER: I am sure you are also on the same wave length. But you are the 'economic expert'.

...(*Interruptions*)

SHRI KHARABELA SWAIN : Sir, he is our Chairman and I am not the Chairman. ...(*Interruptions*)

MR. SPEAKER: Some time the Leader should learn from the followers.

...(*Interruptions*)

SHRI ANANTH KUMAR : I always do. ...(*Interruptions*)

SHRI KHARABELA SWAIN : The hon. Prime Minister told yesterday that let us get prepared for some sort of a recession. He said that and we also know that we are going for a recession even though our economy is not that much coupled with the process of globalization of the world economy, of the economy of United States of America, but still we think that the influence, as told by the hon. Prime Minister, that ripple effect, is going to hurt India. But here lies the catch[\[a24\]](#).[\[a25\]](#)

The Government wants to say that it has nothing to do with the process of recession; it is only the USA, it is only the world economy which is on a phase of melt down and that is only affecting our country. But what we say is that it is only because of the fiscal mismanagement of this Government. That is the major reason for the lack of liquidity in the market now. Our liquidity crisis has nothing to do with the world. The liquidity crisis which we now see is there. You can just mark it from the IIP which is an Index of Industrial Production which has come down to 1.8 per cent now. That is not because of the impact of the world economy or world recession. You just see why this has happened. Why I am saying is that it has happened and this Government is totally responsible for this type of an economic crisis.

The second thing is this. Since this Government has come into office, it has totally stopped the economic reforms which were very strongly taken up by the NDA Government led by Shri Atal Bihari Vajpayee. They can now say that it is the Communists who objected to them, who were standing as a road-block on the process of economic reforms. Who told them to take their help? They enjoyed the power because of the Communists. The Communists did not become Ministers. That is why, all the quota went to the Congress Party. They enjoyed it for the last four years. They will make all the enjoyment, get all the benefit and when there is any problem, then, they will say that it is because of the Communists that they could not do it. So, if they have enjoyed all the benefits, they should also try to take all the discredit that is coming out of that.

Next, take the example of the problem of inflation. Inflation is not coming down. It is still around 11.4 per cent. The Governor of the Reserve Bank told earlier that inflation beyond 5 per cent is not acceptable. He is not merely saying that it is not acceptable

but it is actually not acceptable. It went up to 12 per cent, more than 12 per cent. Every week, it is coming down by 0.2/0.3 per cent or something like that. The Government is also still saying that it is happening only because of one factorâ€¦*(Interruptions)*

SHRI ANANTH KUMAR : It is Shri Chidambaram's book.

MR. SPEAKER: Do not get misled! He is your leader. You have to listen to him!!

SHRI KHARABELA SWAIN : You thanked him so much for his just cooperating with you....*(Interruptions)* This is what he said. In a layman's language, he said that inflation is the worst form of taxation. This is what the hon. Finance Minister said. If it is the worst type of taxation, what should he do? It is above 11 per cent now. All the time, he went on just taking the credit that during his time, the GDP growth was more than 9 per cent. All the time, he accused saying: "Mr. Swain, during your time, during the time of the NDA Government, it was something like 4.8 per cent or like that.

The hon. Prime Minister said yesterday with the most pessimistic way that the GDP would come down to 7 per cent. About that also, I have strong doubt that by the end of the year whether the GDP growth will be 7 per cent or it will still be less than that. Then, who will be held responsible for that? When it was more than 9 per cent, the credit would go to the Finance Minister. When it is now less than 7 per cent, the discredit will go to America, their new friend because they have this Nuclear Treaty with them! So, the discredit will go to them. But we say that it is only because of the economic profligacy done by this Government that this is happening. What do they say? What is their achievement during the last four years? They say about two of the great things done. The first one is the NREGP. I remember what they said the day when the NREGA was passed. Even Madam Sonia Gandhi is there.[\[R26\]](#)

When she spoke, she did not give even a single word of credit to the Communists.

MR. SPEAKER : At least you have spared the Chair!

SHRI KHARABELA SWAIN : The Communists were just looking at the direction of Madam Gandhi thinking that some kind words will drop from the mouth of Madam Gandhi and they thought they would also get some credit for this programme.

MR. SPEAKER: Spare them in their absence.

SHRI KHARABELA SWAIN : You go through the speech made by Madam Gandhi. She said two or three times that it is only the Congress Party which has brought this programme.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI PAWAN KUMAR BANSAL): It is the Congress Party which initiated this programme.

SHRI KHARABELA SWAIN : Yes; during the next election, please go and tell the people of this country that we have created so much of employment in this country because of NREGP and so you vote for the Congress Party. You go and tell the people like this and you will know the consequences. ...*(Interruptions)*

MR. SPEAKER: He is in a very good mood and is smiling all the time. Please don't disturb him.

SHRI KHARABELA SWAIN : Sir, if there are any States which have introduced very good delivery mechanisms for this NREGP, it is only the BJP-ruled States which have done it. ...*(Interruptions)* If you are saying Gujarat, it is also a BJP-ruled State. It is the BJP or the NDA-ruled States which have implemented this programme properly and it is their own Congress-ruled States which have failed miserably in implementing this scheme and that will be reflected in this year's election. ...*(Interruptions)*

Sir, now let us come to another flagship programme of this Government, which is the loan waiver. ...*(Interruptions)*

PROF. M. RAMADASS : Mr. Speaker, Sir, I would like to bring to the notice of Mr. Swain that the Union Territory of Puducherry has ranked first in the implementation of the NREGP and the UPA Government of Puducherry is a Congress (I) Government. It has attained the first position in the nation. So, let him not say that Congress (I)-ruled States are not implementing it properly.

SHRI KHARABELA SWAIN : Sir, Puducherry is an urban area and what happened in Puducherry is inconsequential. If the NDA thinks that what they did in Puducherry is very good, let them take the credit.

MR. SPEAKER : Not NDA, it is UPA!

SHRI KHARABELA SWAIN : Yes, it is UPA. I am giving them all the credit, let them take it.

Now, the second great achievement of this Government is the loan waiver for farmers! The day it was declared by the hon. Finance Minister here, the way the Congress Members started thumping the desks, I thought everything will break. ...(*Interruptions*)

SHRI J.M. AARON RASHID (PERIYAKULAM): The loan waiver has been given to three crore farmers. ...(*Interruptions*)

SHRI P. CHIDAMBARAM : Just to jog your memory, even you walked up to me in the end, thanked me and congratulated me.

SHRI KHARABELA SWAIN : I never walked up to him.

MR. SPEAKER: That was a private thanks!

SHRI KHARABELA SWAIN : Probably somebody else from our side went to him. He is an eminent lawyer, but I am very sorry that he has got such a poor memory. I never walked up to him because I knew what would be the consequences. You go to the rural areas of the country. Anybody who has repaid the loan properly asks a very simple question. He says: 'I paid back the money. What happens to me? I did not get any benefit. It is the defaulters who got benefit out of this loan waiver. I keep the credit cooperative society alive, because of my payment the credit cooperative society is alive, but I am not getting any benefit'. ...(*Interruptions*)

SHRI ANANTH KUMAR : It is only Mr. Sharad Pawar who can understand it.

SHRI KHARABELA SWAIN : Yes, Mr. Sharad Pawar will understand it properly.

Sir, I tell this UPA Government, I tell the Congress Party – Madam Gandhi is present here – let them go to the people and tell them that we have given a loan waiver of Rs. 60,000 crore and so please vote for us. You tell the people like this and you will understand how you will get votes. You go to the people and you will understand. You tell them about these two things, namely the NREGP and loan waiver. ...(*Interruptions*)[\[R27\]](#)

The NREGP and the Loan Waiver schemes are totally failure programmes. You go to anywhere in this country, the NREGP is full of corruption. The money is being swindled away by the Government officials. There is a very strong connection between the contractors and the Government officials...(*Interruptions*)

MR. SPEAKER : He is giving his view. You are not bound by it.

SHRI P. CHIDAMBARAM : Sir, he has stated that NREGP is full of corruption in every part of the country. I want him to answer, is it so in Orissa also.

SHRI KHARABELA SWAIN : To some extent.

SHRI P. CHIDAMBARAM: Just now he said it is everywhere in the country that it is full of corruption! (*Interruptions*)

SHRI KHARABELA SWAIN : Please do not say because I come from Orissa.

SHRI P. CHIDAMBARAM: Is it so in Gujarat also?

SHRI KHARABELA SWAIN : Please go through my speech...(*Interruptions*)

MR. SPEAKER: Please look at the Chair.

SHRI KHARABELA SWAIN : I would request them to go through my speech. The day NREGP was passed here, Shri Kalyan Singh, hon. Chairman of Committee on Rural Development is present here, probably I was the only person who objected to it. I thought that nothing would happen because this has been copied from a similar type of project that was taken up in Maharashtra in 1973.

In the report submitted by the Committee on Rural Development, in the third phase the outcome of the 1973 project that was introduced in Maharashtra was stated. I had also showed them the news report that appeared in the news papers. It has been stated that on the same day in the Yavatmal District by forging the signatures of the Collector of the District about Rs.9 crore had been swindled from this project only. I showed it to them. I told them that the same thing will happen because basically the project itself is flawed because they want that people get only the money, there should be no quality control, nobody would go through the assets that are being created, there was no provision for reviewing it and the Government has stopped all other projects.

MR. SPEAKER: The MPs are made the Chairman of the Monitoring Committee. You are also the Chairman of the Monitoring

Committee.

SHRI KHARABELA SWAIN : MPs have become the Chairman of the Monitoring Committee, but can they go and prepare the Muster Roll?

What is happening?...*(Interruptions)* I will tell you what is happening. It is the contractors who are going to the rural areas and asking the people to sign there because they will get a job card. When people ask them what would they do with the job card, the contractor says that they would get Rs.20 by sitting at home. That is happening...*(Interruptions)* You go to the rural areas and you will come to know about that...*(Interruptions)*

MR. SPEAKER: Please conclude now. You have taken more than 15 minutes.

SHRI A. KRISHNASWAMY (SRIPERUMBUDUR): Sir, he should come to Tamil Nadu and inspect the scheme. It is properly implemented in Tamil Nadu...*(Interruptions)*

MR. SPEAKER: If you want to speak, I will allow you. I have not got your name. Mr. Swain, please conclude now.

SHRI KHARABELA SWAIN : Sir, during the rule of DMK, now the Tamil Nadu has become Ram Rajya and the people are very honest in Ram Rajya...*(Interruptions)* But we are talking of Ravan Rajya...*(Interruptions)* There are not so many honest people in my State and only in Tamil Nadu there are honest people.

MR. SPEAKER: You have made a perfectly election speech.

SHRI KHARABELA SWAIN : Let me come to the point, Sir.

MR. SPEAKER: Yes please. Finish it in five minutes.

SHRI KHARABELA SWAIN : Please allow me to speak for some more time.

MR. SPEAKER: You have taken 17 minutes.

SHRI KHARABELA SWAIN : You can pass it like that, I do not mind.

MR. SPEAKER: No, I will not pass it like this. I have called you to speak.

SHRI KHARABELA SWAIN : Sir, there is no other speaker from my Party.

MR. SPEAKER: There are three more speakers from your Party.

SHRI KHARABELA SWAIN : Now they have come.

MR. SPEAKER: Then I will not call other Members.

SHRI KHARABELA SWAIN : Sir, you take the example of interest rate. Now, what the Governor of the Reserve Bank said? The Governor of the Reserve Bank said that in order to contain the inflation, we will have to increase the rate of interest so that nobody will take loan from the banks or the investment institutions.

Now what has happened? If the hon. Finance Minister or if the hon. Prime Minister are saying that the Index of Industrial Production has come down to 1.8 per cent, it is only because of the hike in the interest rate. What happened during the time of NDA rule? The rate of interest was 12.5 per cent. Mr. Yashwant Sinha was instrumental in taking it back to 6 per cent only. Is it not a credit for us? During the time of the NDA Government, when we reduced the rate of interest, even the senior citizens objected to it. They said that we kept our money in the banks and we were earning a very hefty interest; now this Government has brought it down; we were criticised. But what is happening now? This is the Government which has increased rate of interest; that is why it has affected the industrial production. The industry is not interested in taking loan. The industry is not interested for expansion. That is the reason for which the IIP is coming down and ultimately the GDP will also come down. But during our time, because we reduced the rate of interest to 6 per cent, the construction industry, the housing sector boomed. You see the expansion in the cement sector, in the steel sector. Why is it happening? It is happening because during our time we just reduced the rate of interest. I will appeal to the UPA Government that let us go for the reduction of the rate of interest so that at least there will be boom in the construction sector and there will be boom in the industry.

The hon. Finance Minister, the hon. Prime Minister always say that the fundamentals of the economy in this country are very

strong. There was also East Asian crisis during 1998. At that time of the East Asian crisis, the industries were closed; there was a large-scale unemployment and things like that, and people also committed suicides by jumping into the rivers. That happened. At that time also, our fundamentals were good. But it also affected us. Now also in the United States of America and in Europe, the fundamentals of the economy are also strong but they know it pretty well that if there is a liquidity crunch, liquidity crisis, it will also affect the fundamentals. So they have taken very strong measures. The United States of America, their Congress, have taken a decision that 700 billion dollars are to be pumped into the system to provide liquidity. Take the example of Mr. Gordon Brown, the Prime Minister of UK. He has also showed very strong leadership in this regard and the United States of America is also following him. We require this type of strong leadership from India because now crisis also provides such an opportunity. India should lead the other countries because it is mostly insulated from the onslaught of global recession to an extent. That is why India should take the leadership; the Finance Minister should take leadership. He should not merely say that the fundamentals are good. Merely saying that the fundamentals are good, it will not remain good. He should go through the two-three points that I mentioned. We have not yet crossed the hump. Again you will see if some stringent measures are not taken now to revamp the economy, then the industries will close down.

You see the IT sector also. IT sector is also now going to lose much of the jobs because there is a recession and slowdown in the economy of the United States of America. There will be a pressure on the hon. Minister now to go for protectionism. That will happen. Now they will say, do not allow anything to come, any money to come.[\[r28\]](#)

What about the investment? Is it required or not? So, he should not go for the principle of protectionism now. He says that India will be protected from the onslaught of the economy.

It is a good thing that CRR has been reduced in order to provide liquidity in the market. For the last six years, CRR had been increased. What was the RBI doing for the last six years? It was only increasing CRR and it had gone up to nine per cent. Now, they have reduced the CRR by 200 basis points. I would request the hon. Finance Minister to bring it to five per cent as was earlier so that there will be a lot of liquidity available to the banks and the industry also will prosper because of that.

Now, the hon. Finance Minister has created a situation whereby the banks are unwilling to give loans to the oil companies. The oil companies earlier borrowed from the banks. Now, the banks are saying that they will not give loans to the oil companies. The hon. Finance Minister has given them bonds worth thousands and thousands of crores of rupees. He has not provided them through the Budget. These are all deficits. At the end of the year, you will see what is going to be the fiscal deficit of this country. You know what he has projected in his Budget and you will also know what the fiscal deficit at the end of the year is.

Sir, the hon. Finance Minister has put a lot of burden on our grandchildren and our grandchildren will have to repay it because he has not given through his Budget and he has staggered it for the future generation.

Investment should be stimulated. There should not be a cap on the deposits of NRIs. *...(Interruptions)* Sir, He will not understand. *...(Interruptions)*

MR. SPEAKER : He has already written them off.

*...(Interruptions)*

SHRI KHARABELA SWAIN : Now, we want more money. NRIs should be influenced to put more money in India because they know that the Indian banks are all Government banks and the Government is a guarantor for the deposits of the banks. *...(Interruptions)*

MR. SPEAKER: Shri Swain, please conclude.

SHRI KHARABELA SWAIN : Sir, please give me two more minutes. I am almost at the verge of completion of my speech.

I would just request that there should be a cap on the interest rate to the NRI Deposits as LIBOR, that is, London Inter Bank Rate plus 75 basic points, and it could go up to 300 or 400 basis points.

The bank should also be allowed to give whatever interest on the NRI deposits they can.

Sir, I will just take one or two more points. The artificial constraint on the rate of interest should not be kept. This Government has taken certain decisions only in the last one week in order to provide liquidity to the system. Previously they were under the impression that nothing would happen to India and India was totally insulated. That is a very wrong premise. That is a very false premise. Due to the sluggish attitude, blasé attitude of the hon. Finance Minister, India is suffering now. Due to their profligacy in managing the economy of this country, we are suffering now.

So, the sooner this Government goes and a new Government comes, it is better for the people of this country.

**श्री अनंत गंगाराम गीते (रत्नागिरि):** अध्यक्ष जी, मैं वहाँ 2008-09 के लिये अनुदानों की अनुपूरक मांगों के समर्थन में बोलने के लिये खड़ा हुआ हूँ। मैं माननीय वित्त मंत्री जी का ध्यान दो बातों की ओर आकर्षित करना चाहूँगा। इसी वहाँ के अपने बजट भाषण में उन्होंने कहा था...(व्यवधान)[s29]

MR.SPEAKER: Mr. Finance Minister, he is supporting you. Please listen to him.

**श्री अनंत गंगाराम गीते :** मैं सिर्फ दो बातों की ओर वित्त मंत्री जी का ध्यान आकर्षित करना चाहता हूँ। मैं इसका समर्थन कर रहा हूँ। इस वर्ष के अपने बजट भाषण में वित्त मंत्री जी ने किसानों की आत्महत्याओं को लेकर जो लोन वेवर की मांग पर घोषणा की, उसका देश के किसानों और सभी ने समर्थन और स्वागत किया लेकिन आज भी यह स्थिति है कि आपके आदेश पर रिजर्व बैंक ने सारे बैंकों को आदेश तो दिये हैं कि जिनका कर्जा माफ़ हुआ है, उनकी लिस्ट डिसप्ले की जाए, उन्हें सर्टिफिकेट इश्यू किया जाए, यह तो लगभग सारे बैंकों में हुआ है लेकिन आज महाराष्ट्र में विशेषकर रबी का सीज़न है। जिनके लिए लोन माफ़ हुआ है, उनकी लिस्ट लगी है, उनके नाम डिसप्ले किये हैं कि आपके लोन माफ़ किये हैं लेकिन नये कर्ज़ के लिए वे अर्ज़ी नहीं दे सकते। इसके अलावा जिन्होंने अपने लोन का रेगुलर भुगतान किया है, जो डीफॉल्टर नहीं हैं, बैंकों की ओर से उनको भी ऋण नहीं दिया जा रहा है। उन्हें यह कहा जा रहा है कि यह घोषणा हुई है, हमें आदेश आए हैं लेकिन हमारे पास धन नहीं आया है। एक रुपया भी बैंकों तक नहीं गया है। मैं बताना चाहता हूँ कि जिनको लोन वेवर मिला है, वे किसान 15-20 प्रतिशत हैं, वे ज़्यादा नहीं हैं। जो 2007 तक डीफॉल्टर थे, उनको ही हमने वेवर दिया है, वह संख्या केवल 15-20 प्रतिशत है जबकि 80 प्रतिशत ऐसे किसान हैं जो रेगुलर हैं, डीफॉल्टर नहीं हैं - उन्हें भी लोन नहीं मिल रहा है। मेरी आपके माध्यम से वित्त मंत्री जी से यह मांग है कि महाराष्ट्र के विदर्भ, मराठवाड़ा, पश्चिम महाराष्ट्र या पूरे महाराष्ट्र से ही आप जानकारी मंगाए कि आपके द्वारा लोन वेवर की घोषणा के बाद कितने किसानों को बैंकों ने ऋण दिया है। जो कोआपरेटिव बैंक हैं, वे तो साफ तौर पर इंकार कर रहे हैं, वे सर्टिफिकेट भी इश्यू नहीं कर रहे हैं। यह फैक्ट है, आप इसकी जानकारी लें। कोआपरेटिव बैंकों का साफ-साफ कहना है कि हमने लिस्ट डिसप्ले की है, लेकिन सर्टिफिकेट इश्यू नहीं करेंगे। वह तब इश्यू करेंगे जब बैंक को धन मिलेगा। सारे कोआपरेटिव बैंक विशेषकर डिस्ट्रिक्ट बैंकों की ओर से यह कहा जाता है और इसीलिए किसानों में भारी असंतोष है, भारी गुरसा है कि आज फसल का पूरा सीज़न उसके लिए खत्म होता जा रहा है। कल प्रधान मंत्री जी ने हमारी इकोनॉमिक सिचुएशन के संबंध में यहां एक बयान दिया और अपने भाषण में उन्होंने इस बात का जिक्र किया था कि हमने किसानों को वेवर दिया है, वन टाइम सैटलमेंट का अवसर दिया है, लेकिन उसका लाभ किसानों को नहीं मिल रहा है। किसान परेशान हैं और आत्महत्याएँ कर रहे हैं।

एक मुद्दा और मैं यहां पर उठाना चाहूँगा। महंगाई की ओर सरकार का ध्यान नहीं है कि महंगाई किस प्रकार से कम की जाए। वह कम हो सकती है या नहीं, यह चर्चा का विषय हो सकता है। इस पर अलग-अलग राय हो सकती है, लेकिन महंगाई रोकने के लिए प्रयास ही न हो, या सरकार की मानसिकता ही न हो, यह गरीबों के साथ बहुत बड़ी नाइंसाफी और खिलवाड़ होगा। एक बयान हमने बीच में वित्त मंत्री जी का अखबारों में पढ़ा था जिसमें उन्होंने कहा था कि हम इनफ्लेशन को रोक सकते हैं। वह रोकने का प्रयास करेंगे तो उसका असर हमारे इंडस्ट्रियल डैवलपमेंट पर होगा। हो सकता है कि औद्योगिक विकास पर उसका प्रभाव हो, लेकिन हमें सोचना चाहिए कि आज भी इस देश की 70 फीसदी आबादी ग्रामीण क्षेत्रों में रहती है और गरीब है। 38 प्रतिशत लोग इस देश में बिलो पावर्टी लाइन हैं और ऐसे में महंगाई एक अहम मुद्दा है। सरकार को इसके खिलाफ कार्रवाई करनी चाहिए। महंगाई को रोकना चाहिए और यदि यह सरकार महंगाई को रोकने में असफल होती है तो उसके नतीजे जनता उन्हें दिखाएंगी।

MR. SPEAKER: Then, I can call the hon. Finance Minister. Does anybody else want to speak?

...(Interruptions)

MR. SPEAKER: You can ask for clarifications later on. I am sure he will respond to clarifications sought. You can put questions to him later on.

SHRI P. CHIDAMBARAM : Mr. Shivanna wants to lay his speech.

**अध्यक्ष महोदय :** श्री एम. शिवन्ना आप अपनी स्पीच लें कर सकते हैं।

SHRI VARKALA RADHAKRISHNAN (CHIRAYINKIL): Sir, I want to speak.

MR. SPEAKER: He wants to speak. He seems to be a rebel like me.

HRI VARKALA RADHAKRISHNAN : Sir, I strongly oppose the Supplementary Demands for Grants (General).

I am going only by points because I do not get time. I have only a few minutes of time before me.

MR. SPEAKER: No, you will get time.

SHRI VARKALA RADHAKRISHNAN : The first point I would raise in this august House is regarding the deterioration of law and order situation in the country. We have a much worsened situation in the country. Even in the National Capital, nobody's life is secure. Yesterday, a Malayalee, a Keralite from Gulf country came here. He was brutally murdered. This happened in the National Capital. Not only this, some days back, we remember a journalist, while she was returning from her office to her residence, was brutally shot dead. The police could not detect the crime. So far the culprits have not been apprehended. Another Malayalee was also murdered. Not only Malayalees but all the people belonging to every State do not have the courage to live here without fear.



That is the situation available in the National Capital of this country.

Now, take the case of other States. In Orissa, we have our own bitter experience. Even the basic concept of our Constitution is challenged. The minorities are being attacked. Even rape is committed against them.

SHRI BRAJA KISHORE TRIPATHY (PURI): You do not know anything. Why are you talking about Orissa?

SHRI VARKALA RADHAKRISHNAN : Let me finish please. ...(*Interruptions*) No, I did not interfere, please. It is my right.

The law and order situation is so deteriorating.

MR. SPEAKER: He has not said anything about the Government there.

...(*Interruptions*)

MR. SPEAKER: Anything under the Sun can be discussed in financial matters!

SHRI ANANTH KUMAR : No, you allow that freedom to us also. This is not fair.

MR. SPEAKER: I will allow, which you never asked for. Mr. Ananth Kumar, I will see that if he crosses the line, I will pull him up.

श्री सैयद शाहनवाज़ हुसैन (भागलपुर): अध्यक्ष महोदय, यहां सप्लीमेंटरी डिमण्ड पर चर्चा हो रही है और इन्होंने इसे ज़ीरो ओवर बना दिया है।

SHRI BRAJA KISHORE TRIPATHY: The hon. Member is not aware of what has happened there.

SHRI VARKALA RADHAKRISHNAN : It is not only with the minorities in Orissa but in Assam also, the situation is very, very dangerous.

MR. SPEAKER: Now, you do not mind.

SHRI VARKALA RADHAKRISHNAN : There is international criticism. Even the Pope has intervened that the Indian Government should protect the religious minorities in the country....(*Interruptions*)

SHRI BRAJA KISHORE TRIPATHY : How this Government is engaged in political conspiracy to dislodge a democratic Government, an elected Government there?

MR. SPEAKER: No, let him speak.

SHRI VARKALA RADHAKRISHNAN : This is the situation available. What is the situation in Kashmir? The situation is entirely different. Even elections could not be declared along with other States. It is a clear admission on the part of the Central Government that they could not maintain law and order situation even in a troubled State. Not only that, we will remember there were several blasts in almost all cities, like the Bangalore blast. We cannot forget it for a moment. Even in the National Capital, a series of bomb blast took place. Our Intelligence Department and our Intelligence agencies were keeping silent. They could not find out the reason. This is the situation available. It is unheard of in the history of India that people are brutally murdered and blasts are taking place in every part of the country. It is not only in the National Capital but also even in Bangalore, Mumbai and in so many other cities, this is being repeated. We do not know how it has taken place. So, I am also afraid that even if I walk in the morning, I do not know whether I will return safely.

MR. SPEAKER: No, you must. Let me know your route you take. I will see that the police are there.

SHRI VARKALA RADHAKRISHNAN : This is the situation I must tell you. It is a very, very pathetic situation. [\[m30\]](#)

The Ministry of Law and Justice as well as the Ministry of Home Affairs have failed in every way. The hon. Minister of Home Affairs is not present in the House. The situation is so deteriorating that our credit, our national reputation is at a low level. Even the basic principles or the basic concepts of the Constitution have been challenged and we are not able to face the international community with courage. We cannot claim to be the heirs of our Father of the Nation, Mahatma Gandhi. ...(*Interruptions*) The United Nations took the courage of observing his birthday, 2<sup>nd</sup> October as a day of peace. What happened in our country? ...(*Interruptions*)

MR. SPEAKER : It is International Day of Non-Violence.

SHRI VARKALA RADHAKRISHNAN : Even on that day, on the birthday of Mahatma Gandhi there were blasts in our country. What a pitiable situation is this? Can the hon. Minister of Home Affairs claim any remedy? No. This is the situation.

I am really very much worried. When I participate in this general discussion I am very much worried. In the history of our country, for the first time a Chief Minister of a State is coming here and offering 'dharna' in front of the Parliament. For what purpose was it? We are living in a federal State. There must be healthy relations between the States and the Centre. What happened? What prompted the Chief Minister to come over here and offer *Satyagraha*? ...(*Interruptions*)

SHRI J.M. AARON RASHID : Sir, what is this? ...(*Interruptions*)

MR. SPEAKER : Please do not do this. Why are you doing it? You must respect – a Chief Minister has come here. You may agree with him or you may not agree. You try to respect.

SHRI VARKALA RADHAKRISHNAN : Sir, we will have to observe certain Centre-State relations and norms.

Sir, Kerala State is a deficit State in the matter of food supplies. Even during Nehru's time and long before that when the States were merged, there was an understanding between the Central Government and the State Government that Kerala being a deficit State, rice will be supplied at the prescribed rates. Kerala is the only State where the public distribution system was maintained effectively. And that system has failed. The Central Govt. refused to give the allotted quota. At the same time, in the Central pool there is sufficient quantity of rice. But they did not part with the allotted quota of rice to the people of Kerala and put them to starvation.

Even the public distribution system has failed in the State because of the wrong policy of the Central Government. The BPL system is also completely wrongly calculated and they refused to give ration to some 30 lakh of people who were getting ration supplies. All of them are going to the open market paying huge sums as price for the rice. This situation has developed because of the wrong policy of the Central Government and the refusal of the Central Government to supply the required quantity of rice.

Now, I come to the power supply. Kerala is a State, with water reservoirs, is having power supply from hydro electric schemes. The South-West monsoon was a complete failure so far as Kerala State is concerned. The North-East monsoon also has failed. Because of the failure of the monsoon all the electric projects in the State have failed. There is no sufficient quantity of water in the reservoirs. The power production has deteriorated to a considerable extent.

Sir, Kerala has already introduced load-shedding. But still it is thriving on. This Government is not having a human heart. They have mercilessly refused to supply electricity and rice to the Kerala State. It was not only in supply of rice but even in power supply these \* people ...(*Interruptions*) They refused power supply.

MR. SPEAKER : These words will be deleted. You did not mean it, I am sure.

...(*Interruptions*)

SHRI VARKALA RADHAKRISHNAN : That reference was to an institution which is parliamentary. It is parliamentary. ...(*Interruptions*)

MR. SPEAKER : You do not like them. You say that.

SHRI VARKALA RADHAKRISHNAN : I was not using that with reference to a particular individual.

MR. SPEAKER : Okay.

SHRI VARKALA RADHAKRISHNAN : I am using it for an institution. ...(*Interruptions*)[\[k31\]](#)

MR. SPEAKER: But you know that you have to accept the ruling of the Chair.

...(*Interruptions*)

MR. SPEAKER: You know that very well. You have been the former Speaker.

...(*Interruptions*)

MR. SPEAKER: Unfortunately, the former Speaker does not listen to the present Speaker.

...(*Interruptions*)

SHRI VARKALA RADHAKRISHNAN : Sir, the entire Cabinet came here, and even the Members of the Ruling Party came here. ...(*Interruptions*)

MR. SPEAKER: I am trying to speak in your favour. Therefore, please wait for one minute. Could you kindly give a little thought to the present Speaker?

\* Not recorded.

I am sure that when the Chief Minister of a particular State has come to Delhi for a dharna, the Government of India will no doubt give proper attention to it.

...(Interruptions)

MR. SPEAKER: Please listen to me. I am saying in your favour only, and you are interrupting me. Kindly ask your colleagues and Comrades sitting there.

...(Interruptions)

MR. SPEAKER: Would you listen? Can you listen to me?

SHRI VARKALA RADHAKRISHNAN : I will listen.

MR. SPEAKER: Can you listen to me?

SHRI VARKALA RADHAKRISHNAN : Now, I am listening to you.

MR. SPEAKER: Very well. Please wait for half-a-minute, and give me a little opportunity to speak. I said that when the hon. Chief Minister of a particular State comes to the capital and sits on a dharna, then obviously it is a matter of importance. I am sure that the Central Government will look into it. I have said it in your favour only.

SHRI VARKALA RADHAKRISHNAN : Now, shall I continue?

MR. SPEAKER: You can speak for two more minutes.

SHRI VARKALA RADHAKRISHNAN : There is no doubt that the law and order situation is entirely the State subject.  
...(Interruptions)

SHRI T.K. HAMZA (MANJERI): It has totally failed.

SHRI VARKALA RADHAKRISHNAN : But the framers of our Constitution did not contemplate a situation wherein the Central crimes will be so predominant and prevalent in the country.

Now, we are faced with this danger caused by the extremists. Therefore, it is high time for us to find some way out to define the Central crime, if necessary, by an amendment and define the Central crime and deal with the situation. The extremists are provided with the most modern weapons, and the State Police is quite incompetent to deal with the situation. But that should not lead to taking away and encroaching upon the powers of the State. Definitely, the powers should primarily be vested with the State Government as they are the people who are responsible for the law and order situation in a particular State.

We must have an arrangement so far as the National crimes are concerned and so far as Central crimes are concerned in the matter of dealing with the international terrorist movement, so that we can deal with the situation effectively.

MR. SPEAKER: You want a federal law.

SHRI VARKALA RADHAKRISHNAN : This cannot be done until and unless they prevent these steps. Otherwise, the danger that we are facing will continue. With these words, I strongly oppose the Demands for Grants.

SHRI M.SHIVANNA (CHAMARAJANAGAR): Sir, while supporting the Supplementary Demands for Grants (General) 2008-2009, I would like to add certain points.

First of all, I congratulate the Hon. Prime Minister Shri Manmohan Singh Ji for his success in getting through the Indo-US

Nuclear Deal. As a result of it, India, after 34 years, will get Nuclear fuel and technology from the US, Russia and other countries.

I would also like to congratulate the Hon. Health Minister Shri A.Ramdosss for banning smoking in public places all over the country. However this ban of smoking had been already enforced by the Hon. Railway Minister Shri Lalu Prasad Ji in all the trains and railway stations. I am very much thankful to him also.

Coming to the Supplementary Demands for Grants, on flood relief, let me add. A central team visited flood hit areas as well as drought affected areas of Karnataka. We sent a memorandum to the Union Government seeking financial assistance to take up relief measures for drought. But so far no grant has been provided to Karnataka.

I would like to make another point regarding power situation in Karnataka which is critical. Farmers are getting bare minimum power for agriculture. In urban areas loadshedding has become common. Industries, Software companies are severely affected due to power crisis. Therefore, the Centre should provide more power to Karnataka from the Central Power Grid. I would like to suggest that Centre should come forward to set up a Hydro Power Project at Mekedatu near Kanakapura in Karnataka.

Another thing is transportation problems in Karnataka. It has reached its peak. During the last three months more than 60 persons have lost their lives in

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\*English translation of the speech originally laid on the Table in Kannada

road accidents at Devanahally airport alone. Metro Railway work is going at a very slow pace it may take another 8 years to complete if it goes on this way. Therefore the Government of India should provide sufficient funds to Karnataka to take up the construction of under bridges, over bridges and fly over bridges so that transportation problem can be solved.

I would like to condemn the terrorist activities taking place all over the country particularly in Bangalore, Ahmedabad, Delhi etc. Many innocent people have lost their lives. This is a heinous crime. Therefore I urge upon the Home Minister to take stringent steps to curb such incidents with immediate effect.

Recession is seen on all over the world. Hon. Prime Minister says that Bank deposits are safe. I hope the Government would take further steps to overcome the financial crisis. With this I conclude my speech.

**श्री गणेश सिंह (सतना) :** महोदय, मध्य प्रदेश में 62 लाख परिवार गरीबी रेखा में हैं लेकिन खाद्यान्न एवं मिट्टी का तेल मात्र 42 लाख परिवारों को ही दिया जा रहा है, मैं वित्त मंत्री जी से मांग करता हूँ कि मध्य प्रदेश के सभी बीपीएल परिवारों को राष्ट्रीय मानदण्डों के अनुसार खाद्यान्न एवं मिट्टी का तेल प्रदान करने हेतु आबंटन देने का कष्ट करें।

महोदय, मध्य प्रदेश की सरकार गरीबी रेखा के नीचे के परिवारों के अन्नपूर्णा योजना के तहत तीन रुपये किलो गेहूँ एवं 4.50 रुपये किलो चावल दे रही है। मैं चाहता हूँ कि इस योजना में केन्द्र सरकार भी मदद करे। इसके साथ साथ किसानों की प्राकृतिक आपदाओं में जो फसलें नष्ट होती हैं उसके तहत सूखे, पाले, कोहरा, आगजनी, बाढ़ से या अन्य कारणों से जो फसलें नष्ट होती हैं, उसके लिए किसानों को राहत राशि देने का भी प्रवधान किया जाये। ग्रामीण क्षेत्रों के विकास की जो योजनाएं चल रही हैं उनमें शिथिलता आई है। उसको और प्रभावशाली बनाने के प्रयास होने चाहिए। जिन किसानों के ऋण माफ किये गये हैं उन्हें पुनः ऋण उपलब्ध कराया जाये। साथ ही सभी किसानों के कर्ज माफ करने का भी प्रवधान किया जाये ताकि किसानों में जो भेदभावपूर्ण माहौल बन गया है उसे रोका जा सके क्योंकि जो किसान बड़ी खेती करता है उसे बड़ी हानि होती है, छोटे किसानों को छोटी हानि होती है। इसीलिए किसान आत्महत्या कर रहा है।

खेती के धंधे को फायदे का धंधा बनाने हेतु क्या प्रयास किए जा रहे हैं। मध्य प्रदेश को खाद एवं डीजल की पर्याप्त आपूर्ति दिलायी जाए।

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\* Speech was laid on the Table.

\***श्री. रामकृष्ण कुसुमरिया (खजुराही):** अध्यक्ष महोदय, सप्लीमेंट्री डिमांड पर निवेदन करना चाहता हूँ।

1. खेत का विषय है कि किसानों के कर्ज माफ करने का ढकोसला किया गया, किंतु राज्य सरकारों को बैंकों में कर्जा माफी का पैसा नहीं भेजा गया। किसान कठिनाई में पड़ गया है। उसे खाद, बीज नहीं प्राप्त हो रहा है। दोबारा कर्ज नहीं मिल रहा है। किसान की स्थिति त्रिशंकु जैसी बन गई है।
2. रोजगार गारंटी की किरतें न भेजे जाने के कारण कार्य अधूरे पड़े हैं। मजदूरों का भुगतान रुका पड़ा है।
3. खेती के लिए डीजल की कमी पड़ गई है। केन्द्र सरकार पक्षपात का रवैया अपना रही है। मध्य प्रदेश डीजल का कोटा प्रदान करें।
4. विद्युत भी एम.पी की डिस्के की प्रदान नहीं की जा रही है जिससे कि प्रदेश के विकास में रुकावट आ रही है।
5. मंहगाई पर आपका कोई अंकुश नहीं है। कीमतें बढ़ रही हैं। ऐसा लगता है कांग्रेस की सरकार एवं मंहगाई का कोई गहरा रिश्ता है।
6. किसान को लाभकारी मूल्य देने का कोई विचार ही नहीं किया गया। बाहर से मंहगे दानों पर विदेशों से आयात करा रहे हैं जिससे किसान घाटे की खेती कर रहा है। सीमाओं पर खतरा मंडरा रहा है। असम में, कश्मीर में एवं देश के अनेक सीमा क्षेत्रों में घुसपैठ हो रही है। आतंकवादी गतिविधियों पर कोई रोक नहीं लगा सके हैं।

MR. SPEAKER: Now, the hon. Finance Minister.

SHRI TAPIR GAO (ARUNACHAL EAST): Sir, I would request you to give me one minute to speak.

MR. SPEAKER: You can ask a good clarification for two minutes later on.

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\* Speech was laid on the Table.

SHRI P. CHIDAMBARAM : Mr. Speaker, Sir, I am grateful to the hon. Members who have participated in the discussion on the Supplementary Demands for Grants.

It is true that we have come with a demand for a large sum of money. It is not the amount of money that should get your attention. You should ask this question. Why are we coming to this House, and under what head are we asking for this money? Perhaps, the opening statement made by me was not audible to most Members. Out of the Cash Outgo of Rs. 1,05,613 crore, 38,863 crore is being provided by way of cash towards fertilizer subsidy. [r32] [r33] Is that right or wrong? Is anyone here opposing that fertiliser must be subsidized? If I do not provide Rs. 38,863 crore, the only way out is to increase the price of fertilizers which, I am sure, no section of this House is supporting.

Why are we obliged to provide Rs. 38,863 crore as fertilizer subsidy by cash? It is because the international prices have risen;

inputs have risen; price of crude had risen and, therefore, naphtha had risen price of imported fertilizers had risen almost twice. Therefore, in order to support our farmers, I am obliged to come to this House and say that since we cannot increase the price of fertilizers, the only way we can meet the situation is to ask this House to vote another Rs. 38,863 crore by way of cash.

In addition, I am providing Rs. 14,000 crore by way of bonds. Mr. Swain said that by issuing bonds, we are transferring the burden to the next generation. That is absolutely true. If we had the money, we would provide it this year. If we do not have the money, the only way to do it is by borrowing, hoping that in the years to come, we will repay it over a period of time.

We live in a world where it started with the food crisis, a fuel crisis and now a financial crisis. In recent memory, there has never been an occasion when all the three crises came together. Fortunately, we had overcome our food crisis, thanks to our farmers who returned record production in many, many crops. Today, we are more or less self-sufficient in food grains; we have to still import some pulses and oilseeds. We have adequate buffer stock and we are building a strategic reserve of wheat and rice. Now, at the end of the term of the UPA Government, I can stand up and claim proudly that this Government is building and would have built a strategic reserve in food. Could you say that of any other period, a strategic reserve over and above the buffer stock?

I come again to say that I have to pay to the banks for the debt waiver. I provided Rs. 10,000 crore in the Budget. Then, I said that I would come back with a demand for Rs. 15,000 crore. Is that wrong? The banks have paid out Rs. 66,000 crore. We have to repay the banks, otherwise they will suffer from want of liquidity. Therefore, I come and say, "Please give me Rs. 15,000 crore." Is anyone opposing it? I found Mr. Swain alone opposing it to say that this debt waiver scheme is a failure; it is a wrong scheme. I ask, "Is any section of the House, any political party, including the BJP, opposed to the debt waiver scheme?" Then, you must have the courage to stand up and say that your Party is opposed to the debt waiver scheme. It is not enough to allow one Member to stand up and speak against the scheme, while you go around the world and say, "My Party also supports the debt waiver scheme."

When farmers committed suicide in Vidarbha, what was the clamour from all sections of the House? It was for writing off their debts. Did you not say that? "Write off their debts", you said. Then, we came up and said, "All right, farmers are committing suicide in different parts of the country. It is a very sad development. Even if one farmer commits suicide, it is a blot on this nation, let us do a one-time debt waiver and debt write off." We have written off or granted relief to three crore and sixty lakh farmers in a sum of Rs. 66,000 crore, and I hear one feeble voice stand up in this House and say that the debt waiver scheme is wrong. If the BJP has the courage, it should stand up and say that they oppose this scheme. I defy the BJP, and I dare the BJP to say that. ...*(Interruptions)*

SHRI KHARABELA SWAIN : Mr. Minister, I have not said that.

MR. SPEAKER: He is not yielding. You can ask for a clarification later on.

SHRI KHARABELA SWAIN : When he wanted me, I have yielded to him. I know that the Minister is a very intelligent lawyer. I never said that I object to the scheme as such. I only asked him what will happen to those people who have already paid their debts.

SHRI P. CHIDAMBARAM: I will answer that.

MR. SPEAKER: This is a very important matter. Mr. Swain, you have made it clear.

SHRI P. CHIDAMBARAM: Sir, the scheme itself was intended for farmers who were unable to pay and who had defaulted in paying it.[\[r34\]](#)

The scheme was never designed to pay back farmers who had paid the loans. That was never the scheme. We said anybody who had borrowed by a particular date, if it was outstanding on 31<sup>st</sup> of December, 2007 and remains unpaid on 29<sup>th</sup> February, 2008, will get the benefit of waiver. Nobody opposed the scheme at that time. Today, after we have granted benefit to 3,60,00,000 farmers, here is a voice which stands and says, "What about the farmers who have paid?" We have never said that it is a scheme for repaying farmers who have paid their loans.

When I travel around, when people ask me the same question in the Constituency, I give them an answer which appears satisfactory to them. I tell them, "Listen, if there are two children in a house, one child is healthy and one child is sick, I take the sick child to the doctor. I give medicine to the sick child. I do not take the healthy child to the doctor. I am happy that one of my children is healthy. I am unhappy that one of my children is sick. I take the sick child to the hospital and we give medicine to the sick child."

We have a large number of farmers who are able to pay. Thanks to higher MSP given by this Government, thanks to better productivity, thanks to better production, they are repaying to the banks. I am proud of them. For them we have brought down

the interest rate from 10 per cent in the NDA regime, it was nine per cent when we took over, we brought it down to seven per cent. Many State Governments have brought it down to five per cent. For them we are giving an interest relief. For the sick farmer who is unable to pay, we are giving a debt waiver and a debt relief. This answer is acceptable to most farmers. It is acceptable to many farmers that I have spoken to. Unfortunately, if this answer is not acceptable to Mr. Swain, I can only feel sorry for him.

SHRI ANANTH KUMAR : I request the hon. Finance Minister to yield for a moment.

Sir, Bharatiya Janata Party has never opposed the debt waiver scheme.

MR. SPEAKER: We have heard him.

SHRI ANANTH KUMAR : I am saying this on record. If you remember, it was Madhya Pradesh Government which went for farmers' debt waiver way back when Sunderlal Patwaji was the Chief Minister. In various State Governments we have also done that. He also knows that in the State Government of Karnataka led by Bharatiya Janata Party the interest rate for farmers' is only three per cent. Therefore, we are only pointing about the lacunae, and it is our duty to do so as the Opposition. There are very relevant questions raised by Shri Anant Geete regarding the scheme. ...(*Interruptions*)

SHRI P. CHIDAMBARAM: I will answer that.

SHRI ANANTH KUMAR : Therefore, you need not dare the BJP. ...(*Interruptions*)

SHRI P. CHIDAMBARAM: I am happy Mr. Ananth Kumar has redeemed the situation for his Party after Mr. Swain's intervention. No State which granted debt waiver, repaid loans which were paid by farmers. No State has done that. To ask the Central Government to do that is I think an extraordinary demand. We have only given waiver for farmers who are unable to pay their debt or who have defaulted in the payment of debt. That is broadly accepted by all sections of the House. I am glad Mr. Ananth Kumar has clarified the position of his Party notwithstanding Mr. Swain's intervention.

As far as Mr. Geete's point is concerned, let me tell you, every bank on its website has published the name, the village, the address, and amount of waiver or relief given to the farmer. Every bank has given these details on its website. I have got with me softcopy of District-wise data compiled by the DLBC Convener Bank. I have also got with me State-wise data compiled by the State Lead Bank. So, if you want District-wise data, I am willing to give it to you. If you want State-wise data, I am willing to give it to you. If you want to look at bank-wise data, please go to the bank's website, it is available.

SHRI ANANT GANGARAM GEETE (RATNAGIRI): That is there.

SHRI P.CHIDAMBARAM: The question Mr. Geete asked is, what about the certificates. I have asked the Chairmen on this. What is happening is, people came, they have seen their loan being written off, many of them have not come back to claim their certificates. A large number have already got the certificates. The certificates are ready. We have now told the banks to go to the villages and distribute the certificates to those who did not come to the bank branch to claim their certificates. So a farmer who has got Rs.12,000 as loan, he finds that Rs.12,000 has been written off. As far as he is concerned he is not bothered. He says, "All right. My Rs.12,000 loan has been written off. Why should I go back to the bank?"[\[KMR35\]](#)

But when he comes to the new loan, then he asks for the certificate. But we have now told the Chairmen of the banks, please go to the villages and distribute the certificates. If there is any particular pocket in Maharashtra where this is not being done properly, I am willing to look into it. We have no problem, the certificates are ready. I want the certificates to be given to all the farmers.

As far as new loans are concerned, it is true that in the months of July and August, because the loan waiver scheme was going on, there was a little uncertainty about issuing new loans. Instructions were issued; for the kharif crop new loans have been given; the loan scheme has picked up in the month of August and September and by the time the year is over, you would find that we will achieve the target and the target I have set this year is Rs.2.80 lakh of farm loan. I am confident that we would achieve the target. Again, if there is a particular part of this country where if any hon. Member thinks that loans are not being given, please bring it to my notice, we will certainly attempt to correct that.

Many Members – Shri Mohanty and Ananth Kumar – have spoken about Prime Minister's statement, I think Prime Minister's statement was a very elaborate statement. Traditionally, we try to manage inflation and growth. Now, interest rates, monetary policy are all intended to maintain a balance between inflation and growth. For four years, we had moderate inflation. In the fifth year, inflation went beyond tolerable limits and we know the reasons. It is because of crude oil prices; commodity prices and food prices. But those prices are moderating. We are confident that they will continue to moderate and the headline inflation will come down.

Now, we have got a new factor, that is, the financial stability. This is not something we have discussed in the last four or five years because the world's financial system was stable. Unfortunately, towards the end of last calendar year, the world was rocked by financial instability. The Prime Minister's statement, explains the origins of financial instability; how this spreads from the housing market; to the credit market and to other markets. Today we are facing the ripple effects of that financial instability. Therefore, today monetary policy has to take into account, not only inflation, not only growth, it has also to take into account the financial stability. In fact, the RBI has been cautioning for the last few months that because of the instability around the world, we need to take steps to ensure that our financial system is stable. When the financial institutions collapse, the collapse takes place within days and weeks. It then spreads to the non-financial institutions. We have a very strong financial system.

One of the first things this Government did, I am not saying this as a point of criticism, it is simply a point of fact, was when we came to power, we said, we formally abandon the NDA's policy of reducing the Government stake in public sector to 33 per cent. That was your policy. We said, no, that is a wrong policy; we will not reduce it to 33 per cent. I said in this House, it will never go below 51 per cent. The fact that we have well regulated, well capitalised public sector banks in which the Government has 51 per cent or more equity is one of the reasons why the financial system in India is extraordinarily stable. At the same time, we encourage private banks; we encourage foreign banks because it is the competition between public sector banks, private sector banks and foreign banks that has expanded credit and has taken credit to many more millions of people and has given us the kind of advantage to support a high growth rate.

Sir, without getting into too much details, I just want to point out, for example, Shri Swain, who is always fond of pointing out that this Government is doing everything wrong. In fact, he praised his own Government for industrial growth. Memories are short. But it is my duty to remind you what your record is. You spoke about the IIP. Let us take one item. I can take each one of your points but I do not want to take the time of the House. I wonder whether Shri Swain knows that between 1988-89 and 2002-03, five years, when they had their first Finance Minister, the IPP, the growth rate of industry never exceeded 6.7 per cent in a year. [\[r36\]](#) That is the highest that you have achieved. If you look at all the five years, you had a year in which you had a growth rate of 2.7 per cent, you had a growth rate of 4.1 per cent; you had a growth rate of 5 per cent, you had a growth rate of 5.7 per cent; and in one year, it touched 6.7 per cent. That was the highest that was achieved in five years.

In the last year, 2003-04, because of the wise change you made, perhaps, the industrial growth rate touched 7 per cent.

What is our record? Our record of industrial growth is – in the first year, it was 8.4 per cent, in the 2<sup>nd</sup> year, it was 8.2 per cent, in the 3<sup>rd</sup> year, it was 11.6 per cent, in the 4<sup>th</sup> year, it was 8.1 per cent and in the 5<sup>th</sup> year, we will have to see; let us wait and see for the whole year to get over.

The lowest IIP in the four years of the UPA Government was 8.1; the highest IIP in the six years of the NDA Government was 7 per cent; the world will draw conclusions as to who has promoted industrial growth. *â€¦ (Interruptions)*

Sir, I am not yielding.

SHRI KHARABELA SWAIN : He inherited the economy from you! That is why, it has happened like that. You had given a dream Budget at that time and our Finance Minister inherited it from you.

SHRI P. CHIDAMBARAM: Okay; he inherited the economy from me. His Government inherited the economy from me; I inherited the economy from them. But I will make sure that they will not inherit the economy from us; we will come back and continue to run this economy!

SHRI KHARABELA SWAIN : Let us see that. He is a good dreamer!

SHRI P. CHIDAMBARAM: Sir, let me conclude by saying that I have taken note of the other points that have been made.

We are in a situation where our banking system and financial system are stable; at this moment, we must stimulate our economy; the steps that we have taken in the CRR and on the repo rate are intended to stimulate the economy, even while we continue to pay attention to inflation.

I concede that inflation is still high. But the benefits of the decline in crude oil prices and the benefits of the decline in the commodity prices will bear fruit in the weeks and months to come. In fact, the reduction in crude oil prices has helped; but it has not helped to a point where we can roll back any prices.

Our administered prices of petrol, diesel, LPG and kerosene are based upon an Indian basket, calculated at 67 dollars a barrel. The price was of course 147 dollars a barrel; it came down to 71 dollars a barrel. It has gone up again this morning to 75 dollars a barrel; when the price comes down to 67 dollars a barrel, then, we are breaking even. Even at 71-72 dollars a barrel, there an



element of subsidy and there is an under-recovery. The under-recovery has come down; we are not making any profit; to assume that the oil companies have started making a profit is a wrong assumption. Our prices are calibrated at 67 dollars a barrel, but we hope – we sincerely hope – that the crude oil prices will come down even further; like commodity prices have come down, some food prices have come down, this will have a beneficial effect over the coming weeks and months; in the meanwhile, we think that this is the right time to stimulate the economy, to provide liquidity so that industrial activity and production can take place.

SHRI ANANTH KUMAR : Since the crude oil prices have fallen, may I know whether there is any proposal to roll back the prices?

SHRI P. CHIDAMBARAM: I was just explaining that. I will repeat it.

Our current prices are calibrated on the basis of 67 dollars a barrel. Prices have come down to about 70 dollars a barrel, not to 67 dollars a barrel. Even today, therefore, there is an under-recovery, in every litre of petrol, in every litre of diesel, every cylinder of gas and in every litre of kerosene that is sold. So, we have not reached a point where under-recovery has been wiped out.

Therefore, you have to be patient. Let us hope that the prices will come down further, and at an appropriate time, I am sure, the Government will take an appropriate decision. This is not the appropriate time to take that decision.

With these words, I conclude.

MR. SPEAKER: You have ignored Shri Radhakrishnan! [\[p37\]](#)

SHRI P. CHIDAMBARAM: Mr. Radhakrishnan was complaining about the law and order. Frankly, if there is a proper discussion on law and order, I am sure the Home Minister will reply. We are not happy about the incidents that have taken place. In fact, we condemn the incidents. You correctly said that the law and order is a State subject. The Central Government provides intelligence. No one can say that a terrorist attack is going to take place at this place at this time. All that you can provide is general intelligence, intelligence about movement of persons, intelligence about transfers of money and intelligence about interceptions. The effort to contain these terrorist attacks and to prevent them must be a joint effort of both the Central intelligence and the State Police. (Interruptions)

Sir, if you allow, the Minister of Agriculture wishes to intervene for a minute to explain the rice position.

MR. SPEAKER: Naturally, he has to tell his Chief Minister. All right, let us hear him. Now Mr. Radhakrishnan, you just see how I am helping you but you are still angry with me.

THE MINISTER OF AGRICULTURE AND MINISTER OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (SHRI SHARAD PAWAR): Sir, the House is fully aware that about three years back there was a shortage in this country of both rice and wheat. A very unpleasant decision was taken about two years back to import some wheat. The prices of wheat in the international market were going very high and the availability of rice in the international market was not there at all. In such a situation, the Government of India had taken a conscious decision to maintain supply for the category of BPL of 35 kilogram throughout India and we have implemented that and also to maintain the supply of 35 kilogram per card to those who come under AAY category. So, there is no change for BPL and AAY category. We have supplied even today and tomorrow also we would supply...(Interruptions).

MR. SPEAKER: Kindly listen to him. He is answering you.

SHRI SHARAD PAWAR: As regards APL, we have seen what was exactly the lifting of all the States in the last three years. Our report says that most of the States including Kerala have not lifted the APL quota which was sanctioned to them. Constantly for three years, they have not lifted it. So, ultimately the Government of India took a decision that if they are not lifting as per allocation for three years, whatever they have lifted in three years, we have drawn an average and we have started allocating that much quantity. Even today we are allocating that. There was a special request from Kerala that we should allot more. So, from whatever is available, we are trying to give a little more to Kerala because of their special condition. I read in the newspaper an allegation that because our supporting party has withdrawn support to the Government, we have reduced the quota. But that is not at all a factual position. Even after withdrawal of the support to this Government, we have enhanced the allocation. We have given more for the Onam festival and we will continue to do so. Up to December, definitely we will enhance allocation and fortunately as per reports received yesterday, this year the paddy crop throughout India seems to be good. Our procurement which we have started is better than last year. We are getting good response and when we would complete the procurement, we will definitely enhance the quota not only for Kerala but for other States also.

SHRI TAPIR GAO : Sir, I would like to seek a clarification from the hon. Finance Minister. No one in this country can question the intelligence and knowledge of the hon. Finance Minister.

MR. SPEAKER: You are a young Member and you are doing well. Why should you make such comments? It does not make any good impression.

SHRI TAPIR GAO : In the last part of his reply to the debate he has tried to explain the reasons for price rise. Maybe, all the 545 Members of this House would get convinced with his arguments, but we want a practical example on the ground where the poor people can also understand this argument and are able to fill their pockets and meet their daily expenses. I need a clarification from the hon. Finance Minister in this regard as to how the poorest of the poor living in this country can meet their daily expenses.

**श्री भानु प्रताप सिंह वर्मा (जातौन) :** अध्यक्ष महोदय, आपके माध्यम से मैं दो चीजें माननीय मंत्री जी के संज्ञान में लाना चाहता हूँ। पहली - किसानों को जो ऋण माफ किया गया है, उसके लिए निश्चित ही मंत्री जी धन्यवाद के पात्र हैं। आपने पांच एकड़ तक भूमि वाले किसानों के लिए ऋण देने की बात कही है, लेकिन किसी-किसी राज्य में जो सीलिंग एक्ट है, उसमें मालियत अलग-अलग है। जैसे हमारे उत्तर प्रदेश में मालियत कहीं 18 एकड़ है तो कहीं 28 एकड़ है। आपने किसान को 5 एकड़ में बांध दिया है कि जिनके पास पांच एकड़ से कम भूमि है, उन्हें यह सब्सिडी मिल जाएगी, लेकिन जहां सीलिंग एक्ट में 18 एकड़ या 28 एकड़ मालियत है, वहां क्या मालियत के हिसाब से एकड़ की क्षमता को बढ़ाएंगे?

दूसरी बात मैं यह कहना चाहता हूँ कि जिन किसानों के पास पांच एकड़ से ज्यादा भूमि है, उनका हम कर्ज माफ करेंगे और तीन किस्तों में वे अपने ऋण की अदायगी करेंगे और चौथी किस्त पर हम उन्हें ऋण से माफी दे देंगे, जैसे सितंबर में, दिसम्बर और मार्च में। पहले तो उत्तर प्रदेश में किसान सूखे की स्थिति से परेशान था। हम लोग मांग करते रहे, तब आपने ऋण माफ किया। अब इतनी वर्षा वहां हो गई है कि किसान खरीफ की फसल नहीं बो पाया और सितम्बर माह में उसे अपनी किस्त जमा करनी थी। आज किसान के पास कुछ नहीं है। मैं यह पूछना चाहता हूँ कि जो किसान सितंबर माह की किस्त नहीं जमा कर पाए हैं, क्या उनको भी ऋण की माफी दी जाएगी?

**अध्यक्ष महोदय :** ठीक है। आपकी बात हो गयी। You can ask a clarification. Please do not give a speech.

**श्री भानु प्रताप सिंह वर्मा :** माननीय मंत्री जी उन्हें ऋण की माफी देना चाहिए। अगर किसान किन्हीं कारणों से सितम्बर माह की किस्त जमा नहीं करा पाया और दिसम्बर माह में अगर दो किस्त जमा कर दे, तो क्या उनका ऋण माफ हो जाएगा?

SHRI P.C. THOMAS (MUVATTUPUZHA): Sir, my clarification is regarding the relief. In the Budget declaration it was said that all agricultural loans taken before 31.03.07, if all the other conditions are okay, will be written off or given debt relief. But when the implementation guidelines came it has been said that all long term loans before 31.03.1997 will be out of the scheme. That means many farmers who have taken long-term loans will be out of the purview of this scheme.

MR. SPEAKER: It is not a debate on that scheme.

SHRI P.C. THOMAS : Sir, it is quite clear. Many farmers in the State of Kerala especially had taken long-term loans, say, for 14 years or 15 years and their repayment itself starts after 10 years. So, many of them are getting out of the scheme. Can the hon. Finance Minister clarify this point?

SHRI N.N. KRISHNADAS (PALGHAT): Sir, I would like to seek a clarification from the hon. Agriculture Minister. He has mentioned that there is no cut to the State of Kerala for APL for the last three years. But because of this cut only the State Government had not been lifting the allotted quota for the last three years. I think, the hon. Minister is making this statement with some misunderstanding. What is the reality? The Union Government should consider that the State of Kerala from the very beginning has been a food deficit State, particularly in respect of foodgrains. [R38]

There was an agreement that the Union Government will provide food grains to the PDS for the State of Kerala. Whenever there are sufficient food grains in our market, we may not be lifting the allocated quota. But the Union Government should treat all the States of this country in an equal manner. Whenever we are facing any difficulty in the market, we are asking assistance from the Government. During the festival season, the APL quota was totally cut and we brought rice in our capacity from West Bengal to provide it to the people. â€ (Interruptions)

MR. SPEAKER: It is enough. You have made your point. Shri Varkala Radhakrishnan has also made this point.

...(Interruptions)

MR. SPEAKER: Shri Krishnadas, he has already said that he will give it.

...(Interruptions)

SHRI BIKRAM KESHARI DEO (KALAHANDI): The Finance Minister just said that he is going to give Rs. 38,000 crore subsidy for fertilisers. I want to know whether the fertiliser subsidy which he is going to give will be given direct to the producers. He can channelise it to the farmers so that they will get the direct benefit. ...(Interruptions) Lastly, on the MSP for paddy, he has promised the House that he will make it to Rs. 1000 per quintal. But our demand is â€¦...(Interruptions)

MR. SPEAKER: This is not a clarification. It is not on Supplementary for Grants. I am sorry.

...(Interruptions)

SHRI K. FRANCIS GEORGE (IDUKKI): The hon. Finance Minister has said that all sections of the House have welcomed the loan waiver scheme. That is true but the point is, he has also mentioned that this is not a scheme for repayment of loans that is already being paid. Agreed. But the hon. Finance Minister and the Government should understand as to how this repayment was made by many of the small and medium farmers.

MR. SPEAKER: This is not a discussion on that scheme at all.

...(Interruptions)

SHRI K. FRANCIS GEORGE : Several sections have been left out from the scheme. For example, the cardamom farmers of this country have been left out. Cardamom is grown in a very small area of Idukki district of Kerala. This five acre cut-off limit has excluded the entire section of cardamom farmers from this particular scheme which could have been very beneficial to them.

MR. SPEAKER: It is not a matter of clarification.

SHRI K. FRANCIS GEORGE : I will just make one important point.

MR. SPEAKER: All points are important.

SHRI K. FRANCIS GEORGE : One important section has been left out of this scheme. This is concerning the small and medium farmers who are growing cardamom. They have land varying from five to 12.5 acres. All of them are in debt due to the steep fall in the prices of cardamom for the last several years. The high input cost has added to their problems. ...(Interruptions)

MR. SPEAKER: You never came here to speak on the Demands. In the name of clarification, you want to make a speech. When you could have spoken for 20 minutes, you were not there.

SHRI K. FRANCIS GEORGE : Sir, we had to walk out and hence I could not speak. So, I will just seek a clarification. ...(Interruptions)

MR. SPEAKER: Enough is enough. You cannot have a better right because you walked out. Nothing more will be recorded.

(Interruptions) â€¦ \*

SHRI K.S. RAO (ELURU): Sir, loan waiver of Rs. 73,000 crore is a very historical step of the Government particularly benefiting the farmers. Fishing is also part of the farming as agreed by the Ministry of Agriculture. Like how fertilizer is a major input for any crop, fish feed is the major input in fish farming. My area is producing the largest quantity of fish which is supplied to most parts of the country including your State. Fish farmers are denied the benefit of waiver on the fish feed which is a major input for which they are taking loans from the banks. Luckily, the Minister for Agriculture is also present here. I wish to know from both the Ministers whether they will pass on the message to the bankers to see that the loan taken on the fish feed also is considered for loan waiver.

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\* Not recorded

**\*DR. PRASANNA KUMAR PATASANI (BHUBANESWAR):** The increased allocations under the supplementary demand for grants 2008-09 to help finance big-ticket social sector programmes like National Rural Employment Guarantee scheme (NREGA) and upgradation of industrial training institutes (ITIs)

The government has also considerably hiked allocations under the non-plan category to help the ministries and departments take care of the additional expenses that they have to make while implementing the 6<sup>th</sup> Central Pay Commission recommendations. The Human Resource Development ministry would get Rs 761.54 crore to create a corpus fund which would provide scholarships to students under the National Means – cum – Merit Scholarship scheme. The allocation also includes the money required to meet the administrative costs of the scheme during 2008-09.

Under the non-plan expenditure, the ministry would get Rs 281.35 crore to pay the hiked wages and salaries following the 6<sup>th</sup> Pay Commission's suggestions. Another Rs 539.63 crore would be given to the autonomous bodies to help them meet the additional costs that would arise while adhering to the Pay Commission. The ministry would also get Rs 200 crore as grants-in-aid for school education. This money would go to the Navodaya Vidyalaya Samiti and the National Bal Bhavan.

Trying to deliver on its commitments, the Centre has allocated Rs 50 crore for the States under plan funds to set up Centers of Excellence and for upgradation of ITIs. The ministry of labour and employment would also get Rs 625 crore to facilitate grant of free loans to institute management committees of the concerned ITIs across the country. The ministry of Rural Development would receive a total of Rs 10,850 crore for Indira Awas Yojana and the National Rural Employment Guarantee scheme which will get the bigger chunk of Rs 10,500 crore of the total package. The ministry of health and family welfare would get around Rs. 195 crore which would be spent towards meeting the additional expenses arising due to the increased pay packages under 6<sup>th</sup> Pay Commission.

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\* Speech was laid on the Table

SHRI P. CHIDAMBARAM: Sir, we cannot have another round of debate on the Debt Loan Waiver Scheme. Anyone who announces a scheme will find that there are ten ways in which the scheme can be improved. The Scheme that was announced in the Budget was indeed improved by the time the Finance Bill was passed. We did make some relaxations; we did extend larger benefits to people who have more than five acres. But I am sure that one can improve upon that scheme. If, say, Shri Anantha Kumar had made a scheme, I could have improved upon that scheme. The point is we can only do what is affordable and what is doable. I believe we have done what is affordable; what is doable; what is transparent; and what is non-discriminatory.

We have given benefit to three crore and sixty lakh farmers. We received only 1,44,990 grievances, which is a very small percentage. Out of that, 33,205 grievances were found to be correct. They were accepted and they were also given the benefit; 85,648 grievances were found to be incorrect and they were explained why they are not entitled to the relief that they have claimed for.

So, by and large this Scheme has been implemented throughout the country. Over three and a half crore farmers are happy. I do not think it is possible at this stage to tamper with the Scheme or improve upon the Scheme. I think the Scheme has been done and farmers have benefited.

You will see that when you find the acreage that is sown this year and the production that comes this year. You will find many more millions of farmers have been enthused to remain in agriculture and grow more food for the country.

MR. SPEAKER: Thank you.

I shall now put the Supplementary Demands for Grants (General) for 2008-2009 to the vote of the House.

The question is:

"That the respective supplementary sums not exceeding the amounts on Revenue Account and Capital Account shown in the third column of the Order Paper be granted to the President of India, out of the Consolidated Fund of India, to defray the charges that will come in course of payment during the year ending the 31<sup>st</sup> day of March, 2009, in respect of the heads of Demands entered in the second column thereof against Demand Nos. 1 to 12, 14 to 25, 27 to 33, 35, 38 to 62, 64 to 74, 76, 77, 79 to 95 and 97 to 105."

*The motion was adopted.*