

MADAM SPEAKER: Now, the hon. Prime Minister.

... (*Interruptions*)

श्री शैलेन्द्र कुमार (कौशाम्बी): अध्यक्ष महोदया, मैंने शून्य प्रहर के बारे में कहा था।

अध्यक्ष महोदया : पहले माननीय प्रधानमंत्री जी का रिप्लाइ होगा।

**THE PRIME MINISTER (DR. MANMOHAN SINGH):** Madam Speaker, I join all Members of Parliament in expressing our grateful regards and thanks to the hon. President for the gracious Address that she has presented to both Houses of Parliament.

Madam, the debate has been vigorous. Several issues have been raised which deserve the attention of the Government as well as other entities. I am, therefore, very happy that Parliament is functioning as it should function. There is a couplet in Urdu which says something like this:

“ये ज़ब्र भी देखा है, तारीख की नज़रों ने,  
लम्हों ने खता की थी सदियों ने सजा पाई है।”


During the last three months when Parliament was not allowed to function, I often felt that we were passing through one such moment. I thank all leaders from all political parties for their sagacity to end that stalemate and that the House is functioning normally as it should function is a tribute to our deep and abiding commitment to contribute everything in our power to strengthen the institution of Parliament in our country.

I have listened with great respect to the speeches that have been made. I was not present all the time, but I have extensive notes. Shri Rajnath Singh, Shri Mulayam Singh Yadav, Shri Sharad Yadav, Shri Devegowda, and many Members

from our side – Shri P.C. Chacko and Shri Manish Tewari – have made very many important points. I will try to answer as many as I can. But I think the gist of the concerns of Parliament is captured in Paragraph 6 of the President’s Speech where the hon. President lists the five priorities for our Government in the year 2011-12.

1. to combat inflation and in particular to protect the common man from the impact of rising food prices;
2. to address frontally the concern regarding the lack of probity and integrity in public life;
3. to sustain the momentum of economic growth while ensuring that the poor, the weak and the disadvantaged get a fair share in the fruits of growth;
4. to maintain an uncompromising vigil on the internal and external security fronts; and
5. to pursue a foreign policy which will ensure that our voice is heard and our interests are protected in global fora.


This, I feel, Madam, captures the gist of the concerned which the Members have expressed. Some have appreciated what the Government is doing; others have criticized that our efforts are inadequate, half-hearted, and some people have questioned our motives also. I have always believed that in a parliamentary system, those who take part in debate can debate broad questions, but if people start doubting intentions, I think that is not good for the healthy growth of the parliamentary system.

Madam, with regard to inflation, I will be the first one to admit that inflation in the last 18 months has become a problem. There were reasons beyond our control. First of all, there was the drought of 2009; there were natural calamities which affected the production of important products such as vegetables and onions. 

There was the international environment where the oil prices have been rising. Now the cost of oil is as much as over 100 dollars per barrel. Internationally, the world food situation has deteriorated. World prices are rising of commodities like oil seeds and vegetable oil which we import are rising. On all these things we have no control. But, there are also commodities where we can control prices. I would like to inform the hon. Members of this House, through you, that as far as cereal prices are concerned, because of the fact that we have large accumulated public stocks with the FCI and public procurement agencies, we have been able to stabilise prices of cereals, wheat and rice. There have been problems with regard to vegetables, with regard to meat and with regard to milk. But some of these things are beyond control. The Government policy is to ensure that we control inflation but in a manner by which we do not hurt the growth of employment opportunities. And I respectfully submit to this august House that if we have a ham-handed approach, we would kill the growth process which is the only source of providing jobs for our youth. So, this delicate balance which has to be preserved between control of inflation and protection of employment, sometimes gives a feeling to ordinary people that we are not worried about inflation. That is not the case. Our Government stands committed to control inflation. I am hopeful that by the end of this fiscal year, the rate of inflation, at least the headline inflation, will come down to about seven per cent. Food inflation has also been a cause of concern. But recently, the situation has improved and I expect the situation to improve further. But in the long run, in a country like India where agriculture prices are the kingpin of the price structure, the only way we can control inflation is through increased production and increased productivity of agriculture.

I think, Shri Mulayam Singhji, Shri Devegowdaji expressed concern about the plight of farmers. I share their concern about the farmers not getting a fair deal. By way of fixing the procurement prices, we have tried to give sufficiently remunerative procurement prices for sugar cane, for wheat and for rice. But there are commodities where procurement system cannot be extended. Therefore, if the

commodities are perishable and they are in short supply, there is no mechanism to control their prices. The only way in the long run to control inflation, as I said, is to invest in agriculture. That is what we are committed to. There may be some defects in the functioning of various schemes like the Rashtriya Krishi Vikas Yojana and the National Food Security Mission. But I do not think that this is an issue which should divide the House. The Government is very serious and it takes very seriously its commitment to do everything in our power to strengthen the growth impulses in agriculture and to strengthen the growth of productivity.


We have to strengthen the Public Distribution System. The Public Distribution System is the kingpin of our strategy to stabilise prices of food grains. When we come forward with the National Food Security Bill, I am confident that we will expand the frontiers of our ability to control inflation. 

And that commitment I give to this august House that we are working to bring to this august House at an early date a Bill to consider and approve the system of our National Food Security.

Madam, the second point that I wish to address and which the President has highlighted or drawn attention to address frontally the concern regarding the lack of probity and integrity in public life. I will be the last person to deny that some unfortunate developments have taken place in the area of telecom, in the area of Commonwealth Games. Those concerns are being addressed. As and when we got credible, actionable evidence, action has been taken. Chief Ministers have resigned; Ministers have resigned, the CBI has been on the trail of wrong doers and I assure the hon. House that there is nothing we will not do in order to clean our public life.

With regard to telecom policy, Madam, I would like to place before this House a few things. My own view has been that as far as the telecom policy that was sought to be implemented by the United Progressive Alliance Government is concerned in the basic policy, there was nothing wrong. It was consistent with the advice given by the TRAI; it was consistent with the need that we all felt to

maximum tele-density. And if you look at the figures of tele-density, when our Government came into office, let us say, in March, 2004, the tele-density in rural areas was 1.55 per cent in urban areas, it was 20.79 per cent and the total for the country was 7.02 per cent. In the last six years, when we look at December, 2010, the tele-density in rural India has gone up to 31.22 per cent in urban areas to 147.52 per cent and the total tele-density in our country has gone up from seven per cent in March 2004, to 66 per cent in December, 2010.

People talk of scams and if there is a scam, it must be dealt with. The law of the land must punish the wrong doers. But we must also not overlook the fact of this tremendous growth of the telecom sector which has taken place as a result of sound policies pursued by our Government. In 1999, the then NDA Government changed the system of allocating telecom resources. The National Telecom Policy was needed at that time because the operators could not honour their earlier commitment which they had undertaken through the auction process. So, the auction process was reversed in 1999. In its place, there was put in place a revenue sharing modal. Our Government, by and large, has continued on the same path that was laid down in the National Telecom Policies. 

I think that policy has paid rich dividends. People ask me why then all these concerns about the wrong-doings. My respectful answer to that is that when I looked at the telecom situation in 2007-2008, the proposal that came to me was that the Ministry had decided not to go in for auctions. At that time, it had the support of the technical arm of the telecom regulatory system, the TRAI; it had the support of the concerned Ministry; and I felt that for level-playing field, it was entirely appropriate that we should continue on the path which we had followed until 2007.


Then subsequently it turned out to be that while the policy was sound, the way it was implemented, I think, gave rise to problems. Those problems will now be looked into by the JPC; they are being looked into by the PAC; and if there are any criminal aspects, they are being looked into by the CBI. Our Government will

fully cooperate with all these agencies and with all these entities to ensure that the truth comes out and the guilty are punished.

Madam, with regard to the Commonwealth Games, we have had a very successful Commonwealth Games. Despite all the doubts that we all had at one time; the Games were a great success. The Gold medal and the other medal tally is very impressive and I would like to congratulate the youth of India for their excellent performance in the Games.

Even before the Games were concluded, there were complaints of wrongdoings and from the ramparts of the Red Fort, on the 15<sup>th</sup> of August last year, I had promised the country that if any wrong things had been done, we would investigate that matter, and if found guilty, nobody would be spared. That commitment stands. The High-Powered Committee is looking into the various aspects. Its first report has been received, and the Government has been prompt in taking effective action in line with the recommendation of that report. The other matters are being looked into by the investigating agencies.

In all these matters, I think, it is our bounden duty and my promise to this House that we will not flinch from ensuring that no wrong-doer escapes the penalties that our legal system provides.

Madam, the third issue which has been agitating the minds of some people is in connection with the Antrix-Devas deal with regard to the transponder lease agreement which was entered into in 2004. I would like to place certain facts before this august House. The Antrix Corporation entered into a commercial contract in January 2005 with Devas Multimedia Services for lease of two transponders to be built by ISRO. 

This was done under its own authority. But Antrix needed Government approvals for operationalising the Contract. These were not given. In particular, the operating licences and regulatory approvals from various Ministries were also not given and hence the Contract did not become operational. In the light of complaints that emerged and the growing national security and strategic


requirements the Government undertook a review of the Contract in December 2009. This was followed by a decision of the Space Commission in July 2010 to annul the Contract. Since then, the Government has taken a policy decision that in the light of the country's strategic requirement it will not be able to provide orbit slot in S-Band to Antrix for commercial activities including for those which are the subject matter of existing contractual obligation for S-Band. Action has been taken to annul the Contract in pursuance of this decision.

I wish to clarify Madam that no allocation of terrestrial spectrum has been made by the Government to either Antrix or Devas and, therefore, the figures of costing being quoted by some Members of lakhs of crores have no basis.

I should also like to mention to this august House, Madam, that the decision to open satellite services to non-Government parties, Indians and foreign was taken and approved by the then Government in 1997. This was not the Congress Government. Thereafter, the norms, guidelines and procedures to operationalise this policy, including the modalities for pricing of lease of transponder, were approved in the year 2000 under the NDA Government regime. The Government has set up a high-powered review committee on February 10, 2011 to review the technical, commercial, procedural and financial aspects of the Agreement to suggest corrective measures, to fix responsibility for lapses, if any, and to review the adequacy of procedures and approval processes followed by Antrix, ISRO and Department of Space and to suggest improvements.

Madam, having said this, I wish to say that our country takes great pride in the spectacular achievements of our Space scientists. The Government is fully committed to preserving the integrity and excellence of India's Space programme and the honest effort of our scientists.

Madam, the third issue relates to sustaining the momentum of growth while ensuring that the poor, the weak and the disadvantaged get a fair share in the fruits of growth. Madam, the whole world admires India's economic growth performance in face of the unprecedented global economic crisis of September,

2008. Wherever I go, people ask us how is it that a country like India can maintain the growth path of 7.5 per cent or even aspire to a 9 per cent growth rate when the whole world is caught in a depression mood. I think it is a tribute to India's industrialists. It is a tribute to India's farmers. It is a tribute to India's workers that we have managed to sustain the rhythm of the growth process. Even this year our growth will be as high as 8.5 per cent. 


I take this opportunity to compliment my colleague, Shri Pranab Mukherjee for his handling of our economy.

I have often maintained that meaningful solutions to the problem of mass poverty that still prevails in our country can be found only in the framework of a rapidly expanding economy. Rapid economic growth of the last four or five years has enabled us to generate more tax resources. These resources have been ploughed back more and more in support of the flagship programmes for social inclusion and for economic inclusion, and that is the only way in which we can solve the problem of mass poverty, ignorance and disease which still afflict millions and millions of our people. So I urge all the hon. Members that while we debate issues, we can find fault but the message should not go out that India is adrift, that India has lost its way, and that the enthusiasm for getting this country moving forward is something which is no longer in evidence.

I assure you, Madam, our Government is committed to achieving a growth rate of 9 to 10 per cent. Our Government is committed to ensure that the bulk of the resources for this growth come from the domestic sources, that our savings and investment rates, which are as high as 35 to 37 per cent, are given every opportunity to make their contribution to sustaining the growth process and that We will use more and more of the resources we get to strengthen our facilities for education, paying particular emphasis to the education of the girl child, paying particular emphasis to the education of the disadvantaged sections – Scheduled Castes, Scheduled Tribes, minorities and other backward classes.



Madam, this year alone the Post-Matric Scholarship Scheme for the Scheduled Castes students will benefit 46 lakh students which is an all time record. This is a process we need to carry further to enlarge opportunities of gainful employment for all our children and all our youth, particularly, the youth coming from the disadvantaged sections.

Madam, I have already mentioned our commitment to bring to this House a National Food Security Bill which is under preparation. If that comes about, it will supplement the efforts that have made through Mahatma Gandhi National Rural Employment Guarantee Programme to wipe out the tears of the suffering mass of our country. I do not say that we have, in that last 5 to 6 years, been able to abolish poverty. There is acute poverty, particularly in certain parts of our country like tribal areas. We recognise our obligation to do more to help those areas but we have, at least, put in place a mechanism to soften the harsh edges of extreme poverty. The Mahatma Gandhi NREG Scheme has provided a floor to the incomes of agricultural labourers when they cannot get employment in any other way. The minimum wage of Rs.100 is now indexed in most States and, therefore, it would have risen to Rs.130. A wage of Rs.130 per day for one month and if jobs are available for full 100 days, I think that provides a significant relief to people and their earning capacity goes up. Therefore, there is a social safety net which is built. 

If we bring in a Food Security Bill which provides food at sufficiently low prices, then that would further strengthen our anti-poverty programmes. In addition we have with regard to the Scheduled Castes, the minority children education and other welfare programmes. That is the only way in which we can move forward. I commit our Government to re-visit our flagship programmes to find out if there are weaknesses. Some people have said there are weaknesses; there are leakages in these programmes. In the MNREGA, there are weaknesses. I do recognise that the performance in these programmes varies from one part of our country to another. There are excellent examples. It will be our efforts to also

stress upon the State Governments to plug loopholes. That is what we wish to do in order to strengthen the growth impulses of our economy and to strengthen the re-distributive aspects of our development process by paying special attention to the needs of the disadvantaged sections, the minorities, backward classes and other poorer sections of our community.

Madam, one issue which has been raised from time to time and it was also raised during the last elections, is with regard to black money. We all want to clean our system of this menace. But we all know that black money accumulation is not a product of the last four or five years. It has been there for a long period and we have made attempts to deal with it. The economic reforms of 1991 were one such attempt to reduce the scope of discretionary powers of the Government at the Centre so that there would be less scope for arbitrary practices; less scope for collection of black money. The economic reforms process has helped to revive our growth impulses. At the margin, it has also helped to reduce the scope of black money. But I would be the last one to deny that we have a long way to go. We need more competition in our country to stimulate our economy and to promote efficiency. But at the same time we need the regulatory system to ensure that there is fair competition, that the basic purposes of having an environment friendly policy are not ignored. There is a delicate trade off between environment and development. We can neglect neither. Therefore, we need a very sensitive regulatory system. But if we talk of a regulatory system we open up the scope of discretion as well. Therefore, we have to re-visit the regulatory framework. While we recognise the need for having a sound regulatory system, it must not degenerate once again to new one way of bringing back the licence permit *Raj*. That is one dimension of controlling the generation of black money through economic activities.

The other source of generation of black money is tax evasion and I venture to think that over the years particularly since 1991 our tax system, both direct and indirect, has moved in the right direction and that on balance there is less scope for

tax evasion today than was the case earlier and the evidence is quite clear from the handsome figures of the rate of growth of the Central Government's tax revenue.

But there are new sources like criminal activities, human trafficking and narcotics. All these have also become more important. As our economy grows, these practices also have unfortunately tended to grow. Therefore, in order to deal with black money, we have to tighten that part of the regulatory framework and supervisory platform which can counter, control these tendencies and prevent wrong doing.

Action has been taken. Shri Pranab Mukherjee has held a Press Conference. We are approaching the relevant authorities there. If this money is held abroad, we are approaching the relevant authorities. If there are legal restrictions, we are trying to negotiate new legal treaties which would provide smoother flow of information.

I also wish to assure the House that, on this question of black money, particularly black money held abroad, we are one with the Opposition in saying that everything should be done to bring back this money to India because it belongs to us. This is not the issue which should divide the House. We will sit together with all parties and seek their help and invite suggestions as to how far we can move and at what pace we can move. We are absolutely open when it comes to dealing with black money. All constructive suggestions will be welcome.

Madam Speaker, I come to the fourth issue referred to by the President that we shall maintain an uncompromising vigil on the internal and external security fronts. On the internal security of our country, we face many challenges. There is the terrorists challenge. There is Left Wing extremism. There is the problem of insurgency in some parts of the North-Eastern States of our country. I am not claiming that we have succeeded in getting over these problems. But they have been contained. With regard to acts of terror, efforts are being made by my Government and our Home Minister to strengthen the internal security system in our country. The national investigation agency is in place. The multi agency

investigation centre is in place. Counter-terror steps are being strengthened and the results are there to see but there is no scope for complacency. We shall remain ever alert to ensure that terrorist elements do not succeed in their nefarious design.

Terror is not something which can be attributed to any one religion. Terrorists have no religion. Therefore, we have to create a climate where this country will unitedly face terrorism of any hue. It will unitedly face that menace and overcome that menace.

SHRI YASHWANT SINHA (HAZARIBAGH): Why did the Home Minister refer to saffron terror? What does he mean by it?... (*Interruptions*)


MADAM SPEAKER: Let him complete his reply. Kindly take your seat.

DR. MANMOHAN SINGH: Madam, with regard to Left Wing extremism, we have to deal with this matter with firmness but also with great sensitivity.

We are dealing with our own people. I will be the last person to deny that some times it is economic deprivation which draws people into the folds of left wing extremism. Therefore, we have to have a two-pronged strategy. We have to have a strategy of development, of giving a ray of hope for the future to the communities of tribals, communities of Central India where this left wing extremism is raising its head in a vicious way. That is why our Government has drawn up an Integrated Development Programme for sixty naxalite-affected districts. That is a Programme which should grow in intensity, grow in depth in the years to come so that the tribal youth are not misdirected into the folds of left wing extremism. You can depend upon the Central Government's keen desire to work in partnership with the State Governments to get mastery over this menace of left wing extremism.

With regard to North-East, the situation in Manipur and some parts of Assam has been a cause of concern. But overall the situation has improved. More recently, the leadership of the main insurgent group, ULFA, has thought it fit to give up the path of pursuit of violence and to enter into discussion and dialogue with the Government. I welcome it. I have been trying to reach out to ULFA right


from the year 2005. At one time I did succeed, but later on they backed out. I am very happy that they have now accepted our invitation to discuss and to have a dialogue. They have given up the path of violence. That is a very positive development. We should encourage both sides to work out arrangements which will lead to satisfactory outcomes of these discussions.

With regard to Jammu and Kashmir, we have passed through a difficult time, particularly the last summer. But since then the situation has improved. But we keep our fingers crossed. This summer, I hope we will be vigilant enough to ensure that the unfortunate events that took place in the last summer in parts of Jammu and Kashmir do not take place. Our approach to the problems of Jammu and Kashmir is that we will give no quarters to secessionist elements. We will do everything in our power to strengthen the hands of the State Government to provide a fairer deal to the youth of Jammu and Kashmir, to provide avenues for gainful employment. I have appointed a Group under Dr. Rangarajan to work out a plan for providing 50,000 to one lakh jobs to the Kashmiri youth. That Report is now nearly ready. I hope that once we start implementing it, and there are precise proposals where the Indian industry commits itself to employ Kashmiri youth and if we can create jobs for a lakh of students from the Valley and other parts of Kashmir, I dare say it will change the mindset of the Kashmiri people. It is an obligation of all the political parties to do nothing which will disturb the peaceful atmosphere that now prevails in Jammu and Kashmir. 

As regards foreign policy, our policy has been to be as friendly as possible with our neighbours. I have maintained and I still maintain that full development of this sub-continent of ours will not be realized unless India and Pakistan relations are normalised. I have been working for that objective since 2005. Some progress was made, but then there was a lapse. The terrorist elements, would of course, not want the process of normalisation to come into effect. But I am convinced and I believe that there is a growing conviction in Pakistan as well among the thinking population that terrorism is not an instrument which can be

used by any civilised Government as an instrument of its State Policy. I sincerely hope and believe that the new ruling classes of Pakistan would grasp the hands of our friendship and recognize that, whatever are our differences, terror, as an instrument of State Policy, is something that no civilised society ought to use. Today, we have an atmosphere in which negotiations can go forward. There are hopeful signs. After meeting of the two Foreign Secretaries in Thimpu, they have agreed to resume the process of dialogue and that is the only way in which we can resolve our problems. We are willing to discuss all outstanding issues with Pakistan provided Pakistan gives up its practice of allowing the use of its territory for terrorist activities against India.

With regard to Sri Lanka, the return of peace to Sri Lanka, we sincerely hope will enable the Sri Lankan Government to pay greater attention to the requirements of providing a fair deal including political devolution to the minorities, particularly the Tamil minorities. We have been impressing upon the Government of Sri Lanka this requirement and we will continue to impress upon them that it is their solemn obligation to ensure that the Tamil minority gets an honoured place in the polity of Sri Lanka to lead a life of dignity and self-respect. From time to time, Indian fishermen run into problems and there have been recent incidents in which some of our fishermen have been shot at. A large number of these fishermen were arrested. We took up this matter with Sri Lanka. The arrested fishermen have been released. But these frequent attempts of creating tensions between the fishing communities of the two countries are something about which we have to find a permanent solution. We will continue to impress upon the Government of Sri Lanka that they should not do anything even if some of our fishermen stray into their water. I think they may arrest them, but they should not kill anyone of them. That is not something which is acceptable to our people.

Madam, overall, India is respected in the world as never before. 

Whenever I go abroad, people marvel about the existence of a country of a billion people with all the diversities, with all the poverty of its masses, yet trying to seek its economic and social salvation in the framework of a functioning democracy, in the framework of a democratic polity, in the framework of commitment to rule of law, commitment to all fundamental human rights. I sincerely hope that whatever we do, we should take pride in these characteristics because we are one-sixth of the human race. If India succeeds in finding its economic and social salvation through democracy, through commitment to rule of law, through respect for all fundamental human freedom, I dare say that we will become the harbingers of a message of change for the better for the entire world.

India, therefore, has a message. That message is one of strengthening democracy; that message is of strengthening the forces of secularism; that message is the persistent quest of gender equality; that development must lead to social and economic equity. These are the guiding principles given to us by the Founding Fathers of our Republic. These are the principles which will continue to guide our Government and I hope these are the principles whose pursuit can unite all the Members of this House on this side and on that side. On that note, Madam, I once again thank the hon. President for her gracious Address.

I request this House to pass this Motion.

MADAM SPEAKER: A number of amendments have been moved by the hon. Members on the Motion of Thanks.

... (*Interruptions*)

MADAM SPEAKER: Please take your seat.

... (*Interruptions*)

SHRI ARJUN CHARAN SETHI (BHADRAK): Madam, please allow me to ask a question.

... (*Interruptions*)