

1727 hours

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): Mr. Chairman, Sir, I am grateful to the hon. Members. I think there were eighteen of them who have participated in this very important debate on the economic situation of the country.

Sir, since I returned to the Ministry of Finance in August 2012, I have made four statements besides, of course, some off the cuff remarks now and then. In every one of that statement I have emphasized that thanks to a number of developments around the world, the Indian economy is challenged. Not once did I say that all is well because I know that no Finance Minister anywhere in the world can say that all is well. You meet Finance Ministers of the G-20, one meets Finance Ministers of IMFC, World Bank, BRICS Meetings, you have to measure the length of each phase by a longer scale.

The world economy is indeed challenged. Let us accept that fact. In fact, the world has not recovered since the Crisis of 2008. The Crisis actually deepened in 2011-12 and there are no signs yet of a Crisis lifting in most countries of the world. All we have to do is look at the last page of 'The Economist' which comes out every week and it will tell you, much to your surprise, that India is among the fastest growing top three or four countries of the world despite our difficulties. But I do not take great comfort in the fact that we are growing at five per cent. It saddens me. Both the Prime Minister and I have repeatedly said that India cannot afford to grow at anything less than eight per cent.

Sir, I have listened to this debate very carefully since it started about half-past Twelve. I requested only one Member, Mr. Saugata Roy, to yield and I apologise for interrupting him.

PROF. SAUGATA ROY (DUM DUM): It is all right. He is the Finance Minister.

SHRI P. CHIDAMBARAM: But I have heard everyone patiently and with rapt attention.

(t3/1730/rcp/gg)

At the end of this debate, what does the country expect us to do? The country expects us to say what we will do in the next few weeks, in the next few months and whether there is broad agreement on what we will do. The hard fact is, there is no agreement. I say this with great respect and responsibility, let us not fool ourselves. There is simply no agreement on what we will do. You would only have to contrast the speech of the lead speaker, Shri Gurudas Dasgupta and some others belonging to the Left Parties and the speeches of some Members from the Congress Party and the Principal Opposition Party.

If Parliament is not able to point to the direction in which the country's economy will go, Parliament is not able to agree on, say, 10 steps which the Government should take today, six months from today, a year from today, what kind of a message will it send to the rest of the world? I am not trying to score debating points. In fact, I think the situation is grave enough for no one to attempt to score debating points.

We talk about investment. Look at the different voices on a matter like land acquisition. Without acquiring land, how will you put up industry? We talk about power projects. I can give you a list of power projects where there is one or more local agitations which say: "Don't put the power plant in my backyard". We talk about hydroelectric power. I can list a number of projects which are stalled. One of them has been stalled for nearly two years and the turbine cannot be taken to where the dam has been built. So, I think, the fact is the polity of this country is divided on economic policy. Well, that is understandable because there are different political parties, there are different ideological persuasions. My plea to every one is, despite our differences, can we agree upon some measures which have to be taken in order to lift the country's economy from what it is today, about 5 per cent growth, to what we had between 2004 and 2008, technically between 2003 and 2008. When I refer to 2003 and 2008, it is with pardonable pride that I say that the team that is being accused of mismanagement was the very team that

managed between 2004 and 2008 too. The only thing that has happened is, we may have become older by a few years. But our basic instincts are the same. My basic instinct is of that of a reformer. I know I will be contradicted by many hon. Members and I respect their right to contradict me. But I believe what we need now is not less reforms but more reforms. What we need now is not more restrictions but less restrictions. What we need now is not a closed economy but a more open economy. I said this in 2008-09. I know, from the Principal Opposition Party, Members thunder and say; what Mr. Yashwant Sinha did today in the name of God, go, he said that in 2008-09 also. We came back with a larger majority and they came back with a reduced number. I believe that even though the polity is divided, it is possible to weave together a tapestry of common actions, common programmes on which there can be some differences, but basically we can all agree that this is the direction in which we should go.

(u3/1735/rp-cs)

Sir, in the last 12 months there has been many ups and downs. When I took over on the 1st of August, I knew that I was returning to a very difficult pitch. The fiscal deficit limits have been breached. In fact, the budget estimates were awry. The current account deficit had swelled. These were the two main challenges apart from a number of other challenges that we have to face. In the last 12 months there have been days when I have been more upbeat; there have been days when I have been more downcast. But the fact is that some stability did return to the economy until a completely unexpected event took place on the 22nd May, 2013.

Let us focus on facts. Between August 2012 and May, 2013, the rupee was remarkably stable in between 54 and 55. In fact, in October, 2012, it appreciated to 53 rupees a dollar. In February 2013, it appreciated to 53 rupees a dollar. But on the 22nd May, 2013, there was an unexpected development which had caused tremors around the world and every emerging market economy was affected when the US Federal Reserves announced that they are contemplating withdrawal from quantitative easing. US acts in its own self interest. We have to act in our own

self interest. But when they have acted in their own self interest; it does have consequences for the rest of the world especially the emerging markets. There is no comfort in the fact that all our players are affected. Brazil and South Africa are affected more than us. In equity market Indonesia is affected more than us; Philippines is affected more than us. Even a country with the current account surplus like Malaysia has been affected. So while we will do what we ought to do and we can do, we are also working with other countries to see what we can do together.

These two challenges the fiscal deficit and the current account deficit have indeed to be faced. We will go through some pain but at the end of the day, I am sure, we will be able to emerge strongly. I will tell you why. I was told when I took over that the fiscal deficit was not in control at all and that was right. I appointed the Dr. Kelkar Committee. The fiscal deficit was threatening to go beyond 6 per cent although the Budget said 5.1 per cent. Dr. Kelkar said: “In the current year, you have to contain at 5.2 per cent”. This he said in the month of September 2012 and five months have been behind us. We not only contain the fiscal deficit to below his level but the actual numbers are much better this 4.9 per cent. ... (*Interruptions*)

I am asked to cut down expenditure. Of course, we cut down expenditure. What other way is there to contain the fiscal deficit? On the one hand an hon. Member says this fiscal deficit is a myth, spend more - in fact, he gave a number, spend another Rs. 4 lakh crore – on the other hand you say the fiscal deficit has gone out of control. How are these two statements reconcilable? The immediate task was to contain the fiscal deficit. Mr. Yashwant Sinha’s analysis is perfectly right. Any one acquainted with the macro economy and any one who spends even a year in the Finance Ministry will know that if the fiscal deficit goes out of control, it is inflation.

(w3/1740/lh-hcb)

It has other consequences. The first task was, therefore, to contain the fiscal deficit and we succeeded. I say that for the current year we have drawn a red line at 4.8 per cent and we will contain the fiscal deficit at 4.8 per cent. I want all of you to please agree with me – even if you do not support me – that it is the first task at hand. The first task at hand is to contain the fiscal deficit. It has to be contained at 4.8 per cent, and I will do everything in my power to contain it at 4.8 per cent.

The next is the Current Account Deficit. Now, until a couple of years ago, nobody really spoke about the Current Account Deficit and quite rightly. Since 2000, for example, in all the years since 2000, only in two years we did not finance the Current Account Deficit and those were the two crisis years.

In every other year, India has always financed the Current Account Deficit. Every Finance Minister has added a big or small amount to the reserves. In 2007-08, when I was the Finance Minister, we added 92 billion dollars to the foreign exchange reserves, the highest amount added in any year. But in the last couple of years, financing the Current Account Deficit has become a major challenge. When I interrupted you, I did give the figure. In 2011-12 we did not finance the Current Account Deficit. That was the year of the Euro-Zone crisis. But in 2012-13, with the larger Current Account Deficit, 88 billion dollars – supposed to be 78 billion dollars in the previous year – we not only financed the Current Account Deficit but also we added 3.8 billion dollars to the reserves. And I, therefore, give my second step. Even if you do not agree with me, please support in my agreement that this is absolutely necessary. We will contain the Current Account Deficit this year to 70 billion dollars or below and we will fully and safely finance it. ... (*Interruptions*)

PROF. SAUGATA ROY (DUM DUM): At what percentage of GDP? ... (*Interruptions*)

SHRI P. CHIDAMBARAM: It is an absolute number which is relevant here because as a percentage of GDP it will depend upon the denominator but the 70 billion dollars is a number which the world understands. Last year, we had 88 billion dollars. Therefore, at every opportunity I am telling the world that we will contain the Current Account Deficit this year at 70 billion dollars and we will fully and safely finance it. Even if some of you do not agree with me that it is a right approach, I want you to support me because that is an important objective that we have to meet this year.

My third step is that we must add to our reserves. I take note of what Shri Yashwant Sinha said, Sir. The 2.5 billion dollars that he is talking about may have been good enough in 2008 but in terms of financing our economy today, it is a very small number. ... *(Interruptions)*

SHRI YASHWANT SINHA (HAZARIBAGH): I did not say that it is 2.5 billion dollars but I said it is 25 billion dollars ... *(Interruptions)*

SHRI P. CHIDAMBARAM: You raised 25 billion dollars and at what cost? It is raised at a very high cost. Be that as it may, I am not questioning that decision; I am not criticizing it. That was the decision taken at that time given the circumstances then. We have to add to our reserves. Our reserves are adequate. I can go into the external debt. The external debt is still very manageable. We are one of the moderately indebted countries. Our external debt is only 24.10 per cent. Then, you mentioned a number like 172 billion dollars actually you should tell what that 172 billion dollars is. It is not Government debt. Much of it is the stock of FII. Even FCNR (B) Account is included in the 172 billion dollars, and FCNR (B) is not going to run away from this country. Therefore, I think, when you mention a number like 172 billion dollars, you must break it up. Anyway, I am not getting into that. There is not time for that. ... *(Interruptions)*

SHRI YASHWANT SINHA (HAZARIBAGH): This is the reply that I have got from the Government. ... *(Interruptions)*

SHRI P. CHIDAMBARAM: 172 billion dollars is the correct number. Who says that it is not correct? ... (*Interruptions*) Did I dispute the number, 172 billion dollars? All I am saying is that you must break it up and say what it makes up 172 billion dollars.

(x3/1745/vr/mm)

We will have a discussion on that another day. I do not have the time for that. But we have to add to our reserves. I take your points, I take your suggestions. We have to add by FDI, through NRI investments including deficits, by ECG and through banking capital. All options are on the table. No option is ruled out. Which option we should exercise is a matter of judgement. And, I respectfully submit, taking note of all the views expressed here, the Government will exercise the judgement at an appropriate time. But we must add to our reserves.

SHRI YASHWANT SINHA (HAZARIBAGH): Hon. Finance Minister, I want one assurance and that is to please assure the House that we are not going for sovereign bonds.

SHRI P. CHIDAMBARAM: Sir, I cannot open a debate on sovereign bonds now. All I can say is all options are on the table. Which options should be exercised and in what manner is a matter in which Government will take a decision and if that requires consultation with certain people, we will certainly consult. But, all options are on the table.

SHRI YASHWANT SINHA (HAZARIBAGH): Then, we are sending a very wrong signal.

SHRI P. CHIDAMBARAM: No, I am sending a right signal. I know as to what I am saying. I am sending a right signal.

SHRI YASHWANT SINHA (HAZARIBAGH): This country has never gone for sovereign bonds in our whole history.

SHRI P. CHIDAMBARAM: I have already said I take note of what you said.

Sir, the fourth important step on which all of us must agree is that we must revive the investment cycle. We must unblock the stalled projects and we must

ensure that the future disbursement for the projects of the investment actually takes place. Here is something on which this Government in the last six months has done remarkable work. After the Cabinet Committee on Investment has been set up, we have cleared a large number of projects. As on 23rd of August 2013, we had cleared 173 projects with an investment of Rs.1,93,806 crore. And, yesterday, in the Cabinet Committee on Investment we cleared another 18 projects worth Rs.83,772 crore. We took note of the fact that nine projects had got all clearances - Rs.14,048 crore. And, in other nine projects, where we leave out two projects, where the developer is at fault, for seven projects we have stipulated dates. The dates are 31st August, 6th September, 15th September and 20th September. The total of this is Rs.1,82,997 crore.

There is a proverb in Tamil – actually I am not stating the proverb or translating it – do not expect instant results. Once we clear these projects, the promoter has to go to the bank and start disbursement. He has to mobilize because the project has been stalled for a year or two. He has to mobilize workers, mobilize resources, mobilize machinery, mobilize management staff so that the project will take off. We are very clear in our mind that the fourth major step that the Government has to take is to revive the investment cycle and we have to unblock these projects, and we are doing that. We have a dedicated team looking at it. We are doing that and we will continue to clear these projects.

The next step that we have to take is to quicken the CAPEX programme of PSEs. Public Sector Enterprises are sitting on large amounts of cash. Last year, I had only half a year to quicken the CAPEX programme. But on that half year we drove them rather strongly and they were able to compete about 85 per cent to 90 per cent of their original CAPEX programme. This year, we have started early. We have made it very plain to the public sector enterprises, whatever your Capital Expenditure Programme, which you gave, which has been approved by the Government or the Ministry concerned under the PMO, that has to be done; and the performance rating of the CMD and the functional Directors will depend

among other things on how much of the CAPEX programme that you will be able to implement.

(y3/1750/san-rv)

The CAPEX programme is underway. Public Sector enterprises are investing. We will monitor it very closely to ensure that the CAPEX programme is completed as we had envisaged at the beginning of the financial year.

The sixth step that we have to take is to capitalise the public sector banks. Our public sector banks are well capitalised. No bank needed any infusion. We are well above the Basal-III norms. Nevertheless, in order to infuse confidence among investors and analysts, we need to pump in more capital into public sector banks. This year, this House has very kindly agreed to and approved my budget proposal that Rs. 14,000 crore will be invested as capital in public sector banks. That amount of Rs. 14,000 crore will be invested, but I hope we can invest more. I have, therefore, told the Coal India Limited's people that every rupee that we gain out of disinvesting in Coal India Limited – and we want them to disinvest a small amount, not even the original five per cent or ten per cent - will go into a public sector bank for capital. One kind of asset is being converted to another kind of asset. We are not using it for revenue expenditure. In fact, those very banks, which become stronger, will be lending to the CIL. It is a win-win situation for both, the CIL and the banks. We will also send a powerful signal round the world if we are able to invest more capital into the public sector banks. This is the sixth step that we must take.

The seventh step that we must take is that we must reap the benefit of the good monsoon. I think, a number of speakers said that nothing must be done that will come in the way of maximising agricultural production this year. Therefore, in the Group of Ministers, we have categorically said that the gas allocation to the fertiliser sector will be maintained and not one unit of gas will be reduced so that we produce the maximum amount of fertilisers. We will ensure that fertilisers are

distributed all over the country and throughout the year, both for the *kharif* and for the *rabi* crops.

About agricultural credit, you would remember that in the Budget Speech, I had said Rs. 7,00,000 crore, but the sown area has increased by 9.1 per cent this year. Therefore, I have instructed banks that Rs. 7,00,000 crore is not a limit; it is a floor and they will have to extend as much agricultural crop loan as the farmers require in the country. We are giving three per cent subvention and this subvention is available from this year not only to the public sector bank borrowers but this is also available to farmers who borrow from the private sector banks. Even they will get the subvention. We will do everything possible to maximise production in agriculture. We will reap the benefit of the good monsoon. The sown area is 9.1 per cent more and the sown area has increased for every crop. So, I am praying, I am hoping that we will get the benefit of a good monsoon. I assure the House on my behalf, on behalf of the Minister for Agriculture and on behalf of Prime Minister and the Government that no stone will be left unturned to reap the benefit of the good monsoon that we have got.

The eighth step that we have to take is to encourage manufacturing. Many of you were absolutely right that we allowed manufacturing to languish, for a variety of reasons. How can any country become a strong economy without a strong industrial sector? A small country with a small population of, say, a million or so – there are countries with population of not more than a million – can depend upon one activity, say, fishing or an activity like tourism, or even an activity like gambling or even an activity like being a safe haven for unaccounted money, but India, given our size and given our population, can become a strong economy only if we become a strong manufacturing country.

Shri Yashwant Sinha mentioned capital control. That is a serious issue. I do not agree with him that it is capital control and I will explain, if there is time, but why to bring in the trivial thing? The imposition of customs duty on high-end expensive flat television screens is not capital control. It is to plug a loophole

where couriers were flying out in the morning and coming back with two TVs in the evening as part of their personal baggage.

(z3/1755/ak-sb)

We have got huge capacity in India ... (*Interruptions*)

SHRI YASHWANT SINHA (HAZARIBAGH): Who has permitted it? You have permitted it. ... (*Interruptions*)

SHRI P. CHIDAMBARAM : No, we did not permit it. It was part of personal baggage always. We have a huge manufacturing capacity of manufacturing Televisions in this country. The estimates say that a million pieces may be coming as personal baggage. All that we are saying is that you bring it as personal baggage and I have no problem, but you have to pay duty. What is wrong with that? It is for the very purpose that we must encourage manufacturing in this country. If a million TVs do not come, then a million TVs will be made in this country. This is the point. Do not mix the important argument with trivial argument. Your first argument was important, and your second argument was trivial.

We must encourage manufacturing, especially, in power, steel, metals, automobiles, electronic hardware and textiles. Why do I say this? I say this because look at our top 20 imports into this country. If you look at the top 20 imports, we import things, which we should not be importing. You are right. Why should we import coal? We have enough coal for 200 years. We have to import oil and I agree because we do not have enough oil, but we are addressing that issue separately. But why do we import so much of electronic hardware instead of making that electronic hardware here?

In fact, if you go to those countries, it is Indians who are making the electronic hardware there. It is Indian engineers and Indian designers who are making the electronic hardware there. If you look at the 20 top imports into the country, you will find that there are goods, which ought to be made in India. We have to encourage manufacturing, and, therefore, every step must be taken and will be taken to encourage manufacturing, which is the eighth item on my list.

The ninth item on my list is that we must encourage exports. What is the Current Account Deficit? It is a difference between the Dollar that we earn and the Dollar that we spend. I am using the word Dollar as a short term for foreign currency. It could be Euro or it could be some other foreign currency. When you spend more Dollars than you earn, then the difference is the Current Account Deficit. Now, what can be done? You have to fill that gap / hole. The best way to do it and the most durable way to do it is to encourage exports. The Commerce Minister has announced a revised trade policy in about the month of April or so. I fully supported it. I think that you can begin to see -- I hesitate to use the word green shoots, but since Prof. Saugata Roy asked me whether there are any green shoots, without calling them green shoots, let me tell you what I see -- some glimmer of hope. Firstly, the exports have risen to 11.7 per cent in July 2013 over July 2012; second, the trade deficit in June and July has narrowed to US \$ 12.3 billion in each of these months; third, the net services exports have increased every month since April 2013; fourth, FDI inflows in the first quarter of this year, that is, April-May- June was US \$ 9.14 billion, which is an increase of 70 per cent over the same quarter last year. Therefore, I think that some of the measures are beginning to bear fruit, but there is still a long distance to go. At the moment, what I want to say is that we must encourage exports. This is the correct way and durable way to bridge the CAD. All other measures are only temporary or short-term measures. The durable, long-term measure is to encourage exports. Nothing should come in the way of exporting what we can produce in this country.

The last item is a point, which I think Mr. Elangovan had mentioned. We must find a way, and I do not know how to phrase this point. I do it very carefully, very cautiously, and very hesitantly. We have to find a way, and I appeal to all of you to find a way to resolve the impasse in the coal sector, iron-ore sector, environment clearances and land acquisition, which has come about due to judicial intervention. We have to resolve this impasse. ... (*Interruptions*)

(a4/1800/sh-mkg)

SHRI BHARTRUHARI MAHTAB (CUTTACK): Ask the Member who was speaking from your side.

SHRI P. CHIDAMBARAM: We have to resolve this impasse. I entirely agree with what Prof. Saugata Roy has said. Yes, if there have been some irregularities or even some illegalities in some blocks which were allocated, please inquire into them, but why stop new blocks being auctioned? If there is some irregularity in granting an iron ore mine, inquire into them. But what about the millions of tonnes of iron ore which is lying there in Goa and in Bellary which has to be exported?

On land acquisition, yes, if you want to give more compensation, do so. But without land, how do you have industry in this country? On environmental clearances, at every stage, the Government has to go to a Supreme Court appointed Committee and to a Supreme Court Bench for every single clearance. We have to go to them for every single clearance. ... (*Interruptions*)

PROF. SAUGATA ROY (DUM DUM): Bring in legislation to overcome that.

MR. CHAIRMAN (SHRI SATPAL MAHARAJ): Please do not disturb him.

SHRI P. CHIDAMBARAM: I say this very, very cautiously. I have great respect for the Supreme Court.

MR. CHAIRMAN: Mr. Minister, just give me a minute, please. Hon. Members, it is six o'clock. If the House agrees, the time of the House may be extended till the Finance Minister's reply and disposal of 'Zero Hour' matters also.

SHRI P. CHIDAMBRAM: Sir, the SEBI Bill also has to be disposed of. That is a short Bill.

MR. CHAIRMAN: Okay.

SHRI P. CHIDAMBARAM: Please cooperate.

SHRI YASHWANT SINHA: He has given the ruling.

MR. CHAIRMAN: He is requesting.

SHRI P. CHIDAMBARAM: Please, I am completing my reply. ... (*Interruptions*)

SHRI GURUDAS DASGUPTA (GHATAL): Can I ask you a question, hon. Chidambaram Ji?

SHRI P. CHIDAMBARAM: On what?

SHRI GURUDAS DASGUPTA (GHATAL): You have been listing out your priorities.

SHRI P. CHIDAMBARAM: Please wait till I complete my reply.

MR. CHAIRMAN: Please do not disturb the Minister.

SHRI GURUDAS DASGUPTA (GHATAL): Will you answer me at the end?

SHRI P. CHIDAMBARAM: I will complete my reply first, please sit down.

We have to find a way to resolve this impasse. This is an impasse that will affect any Government in the future. We will have to find a way. We will have to find a way in which we are respectful to the Supreme Court, we recognize the authority of the Supreme Court, but we also assert the authority of Parliament and the Executive Government.

Sir, I think that despite differences -- ideological differences, political differences -- if all of us can agree that these are the ten steps that have to be taken, I, on behalf of the Government, commit that we will do everything in our endeavour to take these ten steps. Once we take these ten steps -- I am not talking about other issues; there are many other issues -- we persevere, we are patient, we are firm, we are clear-headed, we communicate correctly to the investor community, to the analyst community and to the people, I am sure the economy will begin to turn and we will be able to build a stronger economy. Thank you.

(ends)

SHRI GURUDAS DASGUPTA (GHATAL): May I seek a clarification from the hon. Minister?

MR. CHAIRMAN: Just put one question, please.

SHRI GURUDAS DASGUPTA (GHATAL): I have been listening to him very carefully. He has been speaking of micro management in the way he believes it to be done. I have raised a number of fundamental questions. I do not go into all of them. The basic question before the country is there has to be more resources in the hands of the Government. There has to be more resources and more revenue. What about that? This is one question. Second, I have drawn the Minister's attention to another fact that in the whole scenario, two important things are there, that is, inflation and unemployment/job creation. What is the attention being paid to that? Third, I had raised a fundamental issue to him that the total tax revenue falls short of the total concession and total unpaid tax. He is asking the bank. We had been together in the Standing Committee on Finance. Most of the banks do not carry out the statutory obligation of advancing loan to the farmers directly. How is that going to be corrected?

SHRI P. CHIDAMBARAM: We cannot have a debate number two. ...
(Interruptions)

MR. CHAIRMAN: Let the Minister reply.

SHRI P. CHIDAMBARAM: Hon. Member, you have made your point.

SHRI GURUDAS DASGUPTA (GHATAL): You have avoided it.

SHRI P. CHIDAMBARAM: I have not avoided anything. Sir, there is a Budget. The Budget has estimated revenues. Constantly this question is asked, "Is tax foregone? Is tax foregone?" I wish there are, at least, two Finance Ministers. The ex-Finance Minister is sitting on the other side. I have tried to explain it. Tax foregone is nothing but tax exemptions consciously granted by the Parliament by amending or providing for it in the Income Tax Act, or in the Customs law, or in the Excise law.

(b4/1805/kmr/cp)

It is Parliament which approves these changes. I get representations every week from an MP or a group of MPs on behalf of a sector saying please reduce the duty on this sector, please exempt this sector, please cut the service tax here.

Now, what is tax forgone? If the rate in the schedule is 10 per cent and you exempt that sector or that tax, the 10 per cent is added to the tax forgone column. If the schedule rate is 10 per cent and you say I am giving you a concession of two per cent, eight per cent is the tax levy, two per cent goes into the tax forgone column. So, tax forgone is not something which the executive government hands out as though it is a bounty. Tax forgone is a calculation of the impact of the legislative changes that Parliament has approved in the Income Tax Act or in a customs notification, or in an excise notification. So, that is a separate issue.

I am all for reducing the exemptions. In fact DTC reduces a number of extensions. But in the deliberations of the last two years, many of the exemptions have come back into the DTC because there is always a group of MPs who plead, rightly and legitimately, that this exemption must be granted. Therefore, I do not think we should read tax forgone as something which the Government has given away. We have a budget for tax collections and we will make every effort to collect those taxes.

SHRI GURUDAS DASGUPTA (GHATAL): The hon. Minister has not denied that that is the pressing issue. He has not said a single word about price rise. He has not spoken a single word about inflation.

(ends)

**(FOR REST OF THE PROCEEDINGS,
PLEASE SEE THE SUPPLEMENT.)**