

Budget 2011-12.....Point of View

- This year's budget talks on Black money and Corruption but takes no responsibility to change the situation in near future.
- It has more emphasis on Fiscal Responsibility and reducing expenditure on welfare. They allocated money for social sector but not for welfare and rights.
- They talked about second green revolution, by which government of India would promote food processing industry, GM food lobby and Corporates having interests in land/natural resource grabbing.
- As per Revenue forgone statement, Government of India will lose Rs. 536881.00 Crore in this head.
- No mention Of ICDS and MDM in the Budget speech.
- From this year Finance Minister has brought all subsidy related liabilities into Fiscal Accounting; it means now subsidies will further go down!
- This year Government has allocated Rs 10380 Crore for Mid day meal scheme. However in

2010-11 they had a provision of Rs 9440 Crore.

- Similarly for Integrated child development scheme, government has allocated Rs 9294.19 Crore this year. Last year the budget of ICDS was Rs 8430.21 Crore.**
- This year the budget of Integrated child protection Schemes has shown a decline of 27 Crore. In 2010-11 the budget was Rs 270 Crore whereas in 2011-12 the budget is only of Rs 243 Crore.**
- The government has decided this year to give focus on National Nutrition mission as compared to last year .Last year the budget for mission was only Rs 1 Crore however this year they has allocated Rs 90 Crore.**
- Out of total Budget for Children, this year government decreases its share from 21.70% to 17.56% in context of Child Health. In 2011-12 out of total child budget that is Rs 30456 Crore government has decided to give only Rs 5347.80 Crore for child health.**
- As usual government has decided to spend huge amount in Defense sector. This year government has decided to spend Rs 95216 Crore Rs as planned budget and Rs 69199 Crore as non plan budget. Thus the budget for defense sector is Rs 164415 Crore.**

Food subsidy (Mid term fiscal Policy statement)

- ⌚ All subsidy related liabilities brought into fiscal accounting.
- ⌚ Food subsidy is estimated at Rs. 60573 Crore in BE 2011-12.
- ⌚ In absolute terms provision or the major subsidies is estimated to decline from Rs. 153962 in RE 2010-11 to 131211 Crore.
- ⌚ Total subsidies are estimated to decline from Rs. 164153 Crore to Rs. 143570 Crore in BE 2011-2012.....at the same time it is also assumed that allotted quantities outgo under TPDS and procurement cost would by and large remain stable during the year.

Agriculture Credit

- ⌚ Credit flow for farmers raised from 3, 75,000 Crore to 4, 75,000 Crore in 2011-12.
- ⌚ Interest subvention proposed to be enhanced from 2 per cent to 3 per cent for providing short-term crop loans to farmers who repay their crop loan on time.
- ⌚ In view of enhanced target for flow of agriculture credit, capital base of NABARD to be strengthened by ` 3,000 crore in phased manner.
- ⌚ 10,000 Crore to be contributed to NABARD's Short-term Rural Credit fund for 2011-12.

Mega Food Parks

- ⌚ Approval being given to set up 15 more Mega Food Parks during 2011-12. *Storage Capacity and Cold Chains*
- ⌚ Augmentation of storage capacity through private entrepreneurs and warehousing corporations has been fast tracked.
- ⌚ Capital investment in creation of modern storage capacity will be eligible for viability gap funding of the Finance Ministry.

Agriculture Produce Marketing Act

- ⌚ In view of recent episode of inflation, need for State Governments to review and enforce a reformed Agriculture Produce Marketing Act.

Nutri-cereals

While we ensure food for all, we must also promote balanced nutrition. Bajra, jowar, ragi and other millets are highly nutritious and are known to possess several medicinal properties. The availability and consumption of these Nutricereals is, however, low and has been steadily declining over recent years. A provision of `300 crore is being made to promote higher production of these cereals, upgrade their processing technologies and create awareness regarding their health benefits. This initiative would provide market linked production support to ten lakh millet farmers in the arid and semi-arid regions of the country.

Programme would be taken up in 1000 compact blocks covering about 25,000 villages. This will help improve nutritional security and increase feed and fodder supply for livestock.

National Mission for Protein Supplements

The consumption of foods rich in animal protein and other nutrients has risen of late, with demand growing faster than production. The National Mission for Protein Supplements is being launched in 2011-12 with an allocation of `300 crore. It will take up activities to promote animal based protein production through livestock development, dairy farming, piggery, goat rearing and fisheries in selected blocks.

The existing interest subvention scheme of providing short term crop loans to farmers at 7 per cent interest will be continued during 2011-12.

The years 2008 to 2010 saw very high levels of foodgrain procurement. On January 1, 2011, the foodgrain stock in Central pool reached 470 lakh metric tonnes, 2.7 times higher than 174 lakh metric tonnes on January 1, 2007. The storage capacity for such large quantities requires augmentation. Process to create new storage capacity of 150 lakh metric tonnes through private entrepreneurs and warehousing corporations has been fast tracked. Decision to create 20 lakh metric tonnes of storage capacity under Public Entrepreneurs Guarantee (PEG) Scheme through modern silos has been taken. While we will be able to add about 2.6 lakh tonnes of capacity by March 2011, based on existing sanctions, the addition will reach 40 lakh tonnes by March 2012. During 2010-11, another 24 lakh metric tonnes of storage capacity has been created under the Rural Godown Scheme.

STRENGTHENING INCLUSION

- ⌚ National Food Security Bill (NFSB) to be introduced in the Parliament during the course of this year.
- ⌚ Allocation for social sector in 2011-12 (` 1,60,887 crore) increased by 17 percent over current year. It amounts to 36.4 per cent of total plan allocation.

MGNREGA

- ⌚ In pursuance of last years budget announcement to provide a real wage of ` 100 per day, the Government has decided to index the wage rates notified under the MGNREGA to the Consumer Price Index for Agricultural Labour. The enhanced wage rates have been notified by the Ministry of Rural Development on January 14, 2011.
- ⌚ From 1st April, 2011, remuneration of Anganwadi workers increased from ` 1,500 per month to ` 3,000 per month and for Anganwadi helpers from ` 750 per month to ` 1,500 per month.

Education

- ⌚ Allocation for education increased by 24 per cent over current year. *Sarva Shiksha Abhiyan*
- ⌚ ` 21,000 crore allocated, which is 40 per cent higher than Budget for 2010-11.
- ⌚ Pre-matric scholarship scheme to be introduced for needy SC/ST students studying in classes IX and X.

Pension

Eligibility for pension under Indira Gandhi National Old Age Pension Scheme for BPL beneficiaries reduced from 65 years of age to 60 years. Those above 80 years of age will get pension of ` 500 per month instead of ` 200 at present.

IMPROVING GOVERNANCE

UID Mission

- ⌚ From 1st October, 2011 ten lakh *Aadhaar* numbers will be generated per day.

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Revenue forgone this year!!

Corporate Tax – 88263 Crore

Non-Corporate Tax – 5436 Crore

Individual Tax payers – 45222 Crore

Indirect Taxes (Excise) – 198291 Crore

Indirect Taxes (Custom Duties) – 199669 Crore

The amount of total revenue forgone this year is Rs. 536881 Crore

Exemptions for Jewellery and Precious Stones are Rs. 48798 Crore. Jago Bharat Jaago!