

PEOPLES' AGENDA 2014

INDIAN POLITICAL ECONOMY ASSOCIATION

2014

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PREFACE

Millions of Indian voters - the largest number in any one country - are facing difficult, in fact, choice-less choices. It is so unless we stand our ground, remain unswayed by the massive multi-media, multi-billion ('invested' by the big corporate entities as a life time chance to harvest a rich crop of coming as close to real power in New Delhi as seems possible within the formal frame of our plutocracy). Along with the corporate and advertising managers, this campaign is being master-minded and carried forward by the most widespread word of mouth propoganda and rumour mill India has seen time and again. The shadow-boxing by the two groups of the political class deeply immersed in corruption, cronyism, as the Indian corporate sector and global capital's loyal and committed public and governance face is actually nothing but empty and misleading sound and fury. If the design to cover up the real issues by verbal tirade and mutual mud-slinging, surely the present election may well be said to have surpassed all the earlier exercises of similar kind. Actually the long term significance of elections in an open democracy, that is, to involve the people directly in debating our past policies and actions and weigh the variety of options against each other is being wasted and sabotaged by propping up false choices and diversionary issues. It is clear that the neo-liberal pro- market, big money and foreign capital favouring approaches are at the root of our misery, lost opportunities and deepening exclusion of the general public from their basic rights. The policies which are in operation are not attacked at all but the outcomes which they openly produce are the target of attack by the major political parties, making the election a choice between the devil and the deep sea.

Let us remind ourselves that the country has seen the rule by both the major groupings at both the central level as also in many States. Thus no one and none of their fondly adopted policies can escape the blame for all these ceaselessly intensifying problems and deepening crises.

Hence we who are advocating in the following pages a set of measures, we maintain, can go some distance towards the changed directions the country so urgently needs. We are some concerned citizens. We have been studying and examining the development story of India and do feel that the time has come to make some bold and basic departures. We have contributed, each one, a few of the ideas mentioned below. Taken together they may or may not necessarily sit well with each other. Hence the need to examine them for further refinement. But they seem to serve as starting points of a broader policy dialogue - something which can show some purposeful pro-people directions and rid ourselves of excessive, one-sided commitment to the narrow interests and bubbling ambitions of those who have already extended their command over national resources and policy processes a bit too excessively.

Hence the need to debate an alternative set of ideas, whose central unifying link may well be nothing but a genuine concern for our worse-off sections kept out of both the policy concerns as also the debates.

Agenda 2014

RURAL SECTOR:

- Our villages must be provided with a minimum of civic amenities for a decent minimum level of hygienic living avoiding the inconveniences caused by the lack of essential services and facilities.
- A three year phased programme to cover all the villages with these facilities unless local circumstances require a different mix of civic amenities. Obviously these ought to have a higher priority compared to any other, such as highways linking metros or building airports, including at the smaller cities, to name just few.
- The short –run and long run positive direct and spread effect of the above on growth with human face and built-in features of wider social inclusion, employment generation, quality of life of the poor masses cannot be overstated. These facilities have to be accorded higher priority than any improvement in the urban centres, particularly those meant for the upper income and high consumption level groups, such as flyovers, dazzling lighting, fancy fencing and so on.
- Intra-village pucca roads covering all the village streets with covered at least one feet deep naalis on both the sides as the priority number one in a period of at the most three years, complete with street lighting at key places. A phased programme to be announced and implemented by a special wing of the PWD of the state governments (it would be naïve to assume that the village panchayat can have the resources and wherewithal to do this job).
- Community public toilets for women and men separately as many families may not have enough land, and houses for family toilets attached to their houses.
- Pucca panchayat office building for each village panchayat and eventually a common village social activities centre.
- School building with a minimum of amenities, water supply, especially toilets for the girls.
- Village water supply system with public hydrants.
- A phased programme of ensuring that in a period of five years all the villagers have pucca houses constructed with public subsidy in the case of small and marginal farmers, landless persons and poor artisans, particularly the non-creamy layer SCs/SCs/OBCs irrespective of religion.
- At the heart of the production-related village infrastructure, next to electrification, comes construction of panchayat built and controlled warehouse for storing on rental basis the agricultural produce of the villagers for which a negotiable warehouse receipt mentioning the total market value of the produce at the Minimum Support Price minus the storage rental charges for the period of the safe-upkeep (to be the revenue of the panchayat) must be issued (to enable the villagers to borrow from the banks against the security of the warehouse receipt).

- The village health centre within five kilometers and equipped with medicines, emergency medical support equipment and personnel.
- Prior to the beginning of the seventh decade of independent India, the above must be the core minimum agenda for all our villages. Many fancy so-called infrastructure projects which privilege automobiles vis-a-vis public transport and private ones vis-a-vis public ones must be followed and adopted in a reversed form of priorities. The basic principle of aam aadmi and aurat first before the elites and the super rich are catered to must be strictly adhered to and a public scrutiny of various projects from this angle may be made mandatory to critically examine and cut out the perverse priorities fostering ones in the budget proposals.
- Revamping of MNREGA: Regular payment of wages and corruption-proofing. Choice of activities and projects -- as suggested above in the section on infrastructure for the village people. The number of days for which work is to be provided must be increased to 150. Eligibility to access MNREGA has to be enlarged to all the adults, particularly in view of acute shortage of decent and regular work opportunities. 100 days work and wages are grossly inadequate for a meaningful impact. Only then could it be consistent with its stated rationale of providing demand based work opportunities. Job cards issue process to be changed from something for which one has to make an application to the one that is every adult's entitlement and has to be issued on the basis of door-to-door visit by an empowered team of officials and local public representatives and some outside non-official experts on rural affairs for on the spot collection and recording of the necessary information, verification and issue of necessary documents, including food or ration card, voter ID card and any other document required (preferably a common multi-purpose document). Yes, one has to make a request or apply for work during a specified period but a job card is only an enabling, entry point document.
- A related change is to make acquiring or possession of someone else's Job Card or ration and voter card etc. a cognizable, punishable offence because those who misuse MNREGA often collect others' Job Cards for false claims and the one who does not hold her/his card cannot demand work and other facilities and entitlements also.
- A comprehensive socio-economic potential/ requirements (development, utilization and preservation of the natural resources and for making good the deficiencies, as in non-conventional sources of energy, forest cover, flood protection, drought – proofing and so on) and social infrastructure survey to be carried out by experts from the sub-region covering the area of the Block as a whole and list projects which can be taken up as MNREGA works. The results to be made available to the panchayats and widely shared with the local people, of course in peoples' own language.
- Timely payment of wages must be made the responsibility of the concerned government functionary and monetary punitive action must be made mandatory for preventing such irresponsibility.
- Work measurement must be made a public and accountable group –based activity where the scope for individual discretion is reduced.

- Ceiling and tenancy laws should be rigorously applied in the rural sector to allot land to the most destitute among the landless and provide security of tenure to tenants-at-will. The government must get vacated all lands belonging to the weaker sections, small and marginal farmers at its own expenses by legal and police action and handover the land to its rightful owners, allottees. The pieces of land under actual cultivation by the poor farmers, should be allocated to the actual tiller unless there are any valid legal problems standing in the way of such settlement.
- Land under dispute owing to differences between the revenue and forest departments must be allocated to the landless and small farmers, by quick ironing out of such differences and difficulties. Ceiling surplus lands and lands donated under Bhudaan andolan must be used for settling actual weak cultivators with no or inadequate pieces of land.
- Lands acquired by the banks in settlement of loans by the small and marginal farmers must be returned to the original owners on the basis of instalment repayment of loans at concessional prices as in the case of write-offs and reduced amounts applied in the case of companies and organized sector firms in non-agricultural sector.
- In future no farmer should be forced to surrender his/ her land for the failure to repay. Non land guarantee of loans may be attempted. Other methods on par with the non-agriculture and company sector must apply uniform to every one. The practice of imprisonment of farmers for loan default must stop forthwith.
- Small pieces of land for homestead should be distributed to the homeless villagers, artisans and other weaker sections along with loan for constructing houses in a manner that they must not remain any one without a roof over her/his head.
- Land record must be finalized transparently and should be computerized. They must be made accessible on the net and computers. Patwaris making false entries and fudging land records must be dismissed and imprisoned. Social audit of land records and land allotment processes may be tried to prevent misuse and illegal allocations.
- In states where irrigation and other land improvements have been attempted successfully, the possibility of reducing the ceiling limit may be attempted provided production does not come to suffer. In order to prevent Benami sale and purchase and holding of land, the land records must be made public documents. No land should be allowed to be sold for non-agricultural purpose to the outsiders, especially for parking black money and wealth. No acquisition of land, especially of irrigated and fertile land for non-agricultural purposes to be allowed except as provided in the long term land use plan for each village as approved by the Gram Sabha. Land kept idle for any purpose must be reverted back to productive use. Land allottees must be given loans on concessional terms for buying farm equipment and fertilisers.
- Use of a part of a farmers land for composting and rain water storage must be encouraged with technical advice and inclusion under MNREGA work.

AGRICULTURE:

- To encourage agricultural production, the State should increase investment in infrastructure as well as provide easy credit to all categories of cultivators to liberate them from the hold of private moneylenders.
- Futures in all agricultural commodities must be banned.
- Spot Markets in farm goods must be backed by warehouse receipts and the total deals must not exceed the volumes of the concerned commodities backed by warehouse receipts.
- No agricultural land should be allowed to be converted into farm houses appropriately defined.

WEAKER SECTIONS:

- Bringing masses into the mainstream of economy, by providing up-gradation of technical skills, investment capital and avenues for marketing of products.
- Strict all-india enforcement of the hawkers and street businesses laws, and supervision of these laws to keep an eye on the police and municipal authorities who should face severe penalties and punishment for extortions of and harassment of the hawkers , as though it was a case of dacoity.
- Actually for taxis, trucks, auto-rickshaws, groups of drivers may be formed and encouraged for providing hired services. One can experiment with cycle rikshaws on similar lines as there are difficulties in the chalak-malik schemes implementation. Individual drivers running their own services are welcome.

PDS AND FOOD SECURITY:

- The process of issue of cards to be combined with Job cards. Under no circumstances should AADHAAR numbers be required for either ration cards or job cards. Possession of someone else's card to be a cognizable offence.
- FP Shops to be given to Self-help groups , particularly those involving all women.
- Number of cards attached to a shop to be large enough to give a reasonable monthly total turnover large enough to provide reasonable return on work of at least two persons' work, investment and space. Instead of giving higher commission to the FP shop operators, the better answer is larger turnover, increasing the total reward to her/him.
- In addition to cereals, including coarse grains (based on local consumption pattern), pulses, edible oils and salt (particularly in the tribal areas, NE States) have to be included in the PDS basket to help contain inflation and protect people's purchasing power.
- An essential of the food security programme is the procurement of cereals. Many purposes are served by local village level procurement and stocking in the

decentralized village panchayat warehouses based on the issue of warehouse receipts (as suggested above). This would ensure that the MSP becomes really effective (rather than remaining a pious announcement) and without involving huge food credit to be given to the procurement agencies and the problems in making payments at the procurement centres. The village level stock-holding by the farmers on their own account in the village panchayat warehouses can be used to release the grains to the PDS outlets by transferring the lien on the stocks and using bank funds to make payment to the farmers or depositing the amount in the farmers' savings account, as preferred by the farmers. Decentralized procurement and stocking and delivery would reduce costs, prevent a number of malpractices, reduce long haulage only to the deficit areas and cities and hence reduce the costs and hence the subsidy bill.

- The amount of cereals taken over by the civil supplies departments must be taken to a centre for cleaning and pre-packaging in ten and five kilogram packets before delivering them to the FP shops. The dates for delivery of the stocks must be notified in advance in the area to everyone and must be adhered to so that the beneficiaries are assured of regular and dependable supplies. Local storage in Panchayat godowns, as suggested above, would facilitate it and reduce cost and pilferage and recycling of the same produce as also immediate post-harvest sale at low prices. This would spare the PDS from many malpractices, such as adulteration, replacing the PDS supplies by inferior ones, under-weighing, delay in serving the customers and more important diversion of the stocks by the FP shops to unauthorized entities as also for recycling the same stocks to procurement agencies for delivering them again and again for taking advantage of the MSP without actual increase in the procured quantities as against the amounts as shown in the books.
- The dates and timing of FP shops must be fixed for weekly delivery and for purchase in more than one go as per the availability of cash with the beneficiaries.
- Such arrangements/organization of FP supplies are essential steps to give meaning to food security as an enforced RIGHT, as against a paper and nominal right. In any case, discussion with the beneficiaries may be organized to take their feedback and affecting changes at the local level without any mechanical adherence to some centralized guidelines and rules.
- Universalization of the PDS and introduction of nutritious food items such as pulses and edible oil. As an immediate step, the new food security law should have a provision for a minimum of 7 kg foodgrains per individual at Rs.2 a kg.
- Maternal entitlements should be clearly stated. They must be indexed and linked to minimum wages. A two child norm and any other conditionality should not be introduced.
- There are no special provisions for community kitchens in urban areas and destitute feeding programmes – these are essential to reach the last person, the destitute, the homeless, the aged and the disabled.
- The grievance redressal mechanisms are not strong enough with low penalties and no effective system at the village and panchayat level. There are no clear guidelines to keep out commercial interests from taking advantage of the enhanced budgets that

will now become available for the schemes that fall under the Act. These weaknesses should be rectified.

- Steps should be taken to discourage production and consumption of unhealthy processed foods, whether of domestic or foreign origin. The steps should include boldly displaying the contents and their adverse health implications and carrying warning pictures on the lines of images on cigarette packets. The companies whose products are known sources of public health problems should be banned from sponsoring sports/cultural/educational events, advertising in all forms of mass media. Public health should be given primacy over generic promotion of food processing.

SOCIAL SECURITY:

- Old age pensions, at present, are very low and the coverage is very poor. The minimum amount of pension should be fixed at Rs.1000 per month if it is to serve any meaningful purpose. The pension amount should be indexed to inflation. There is also a need to universalize the pension scheme.
- As a pre-condition for all the rights -based programmes, such as food, education, etc is the basic right to a minimum wage/ income for every adult. In the present circumstances overall, a sum of Rs. ten thousand per person per month, with annual indexation makes a meaningful and affordable beginning.

EDUCATION/HEALTH:

- The four-year undergraduate programme (FYUP) introduced last year by Delhi University should be rolled back.
- There is a widespread 'contractualization' of teaching jobs in universities and colleges across India. It should be stopped.
- The age group of '0-6' years should be brought under RTE (2009) and convergence between ICDS and MHRD should be ensured.
- The scope of community participation should be expanded by making School Management Committees 'inclusive' rather than 'elected or representative bodies'. It should be made mandatory that community will provide 'assessment of quality of education' to the local administration and SCPCR (State Commission for Protection of Child Rights).
- Standards under RTE, in terms of Pupil-Teacher Ratio (PTR), school timings and infrastructure, etc. should be ensured immediately and proper mechanism should be evolved to monitor the same.
- The alternative schooling models should be preserved and promoted which are especially working on not for profit basis, by relaxing certain norms and standards, as they have played and continue to play a critical and innovative role in the evolution of Indian education system. If these schools are working with the deprived and

marginalized community groups, some financial assistance should be provided for them as it is being provided to private schools under the clause of RTE.

- Given the state of quality of education in the state run schools, funding should be ensured for all major flagship programs undertaken by the State and Central Government. Convergence between Education department and SSA at the state level should be ensured with a clear policy mandate and framework for the same.
- Rapid commercialization in education and health sectors should be stopped. These sectors are supposed to be non-profit sectors. But a large number of unscrupulous private players have entered these sectors who use illegal, corrupt and unethical and exploitative practices and are grabbing land resources for speculative purposes.
- Creation of education commission that would assess and implement educational needs of the masses, needs of the teachers, accessibility of higher/technical education to the masses.
- The right to health and education should be deemed as fundamental rights, and should not be regarded as commodities subject to the forces of the market.
- Whenever privatization of any educational activity becomes inevitable, a collective group of not less than ten persons should be formed to run the activity with ideal financial support from banks and public financial institutions along with transfer of public funds collected on the basis of education cess.
- Similarly health and medical services should be run by professionally qualified persons in association with state agencies on the basis of a PPP model and support of viability gap funding on the basis of a cess on drug firms and high net worth individuals.
- The State may entrust them with responsibility of comprehensive health services as is the case with the government-run hospitals.
- Health for all means that powerful interests have to be challenged, that globalisation has to be opposed, and that political and economic priorities have to be drastically changed.
- Include health in the concurrent list of the Constitution. Adopt a National Health Policy legally binding on the executive.
- Arrange assured safe drinking water supply through piped water in all habitations, total sanitation in all households and localities, and enforce complete safeguards against air, water and soil pollution by industries, mines and other developmental projects.
- Drugs account for 74 per cent of private out of pocket expenditure, often posing an enormous burden on underprivileged households. Keeping this in view, there is a need to implement a Rational Drug Policy and drug pricing. Policy of cost of production should be used for ceiling of drug price.
- Systematic study and proper integration of various Indian systems of medicines into the overall healthcare system should be undertaken.
- Curbs on quacks and irrational practices in the name of traditional medicine should be imposed.

- Improved availability, accessibility and affordability of drugs including vaccines and sera in the public health system should be ensured.
- There needs to be a regularly updated Indian National Formulary on the lines of British National Formulary.
- All public health programmes should have a centralized pooled procurement system like Tamil Nadu and Delhi State governments.
- Rights of patients should be the fulcrum of robust mechanism of social accountability of health service providers.
- Promote, support and engage in actions that encourage people's power and control in decision-making in health at all levels, including patient rights.
- There is a need for Community Audits and monitoring for developing a health system that provides quality services for all.
- The policy of gradual privatisation of government medical institutions, through mechanisms such as introduction of user fees even for the poor, allowing private practice by Government doctors, giving out PHCs on contract, etc. should be abandoned forthwith. Failure to provide appropriate medical care to a citizen by public health care institutions must be made punishable by law.
- Awareness campaigns for social change on issues of gender and health should be launched.
- ICDS programme - ensure adequate support to working women to facilitate child care; especially breast feeding should be encouraged.
- The health of the elderly by ensuring economic security should be promoted.
- Public spending on health should be enhanced to 6 per cent of GDP.
- Primary Health Centre at every 30000 population, with 24-hour service, a Health Sub-Centre at every 5000 population and a fully staffed Community Health Centre with all facilities at every 100000 population should be set up.
- Round-the-clock ambulance service at every 30000 population. Women medical and paramedical personnel in all health centres and hospitals in adequate numbers should be posted.
- Enforce ban on sex determination and strictly follow related laws (PCNDT Act).

PRICES:

- APMC acts should be abolished. Farmers should be allowed to sell their products to consumers without the intermediation of wholesale traders. This will bring down food inflation.
- Exports of food articles should not be allowed. There is no surplus of these articles in the country. Only because of low purchasing power, people are unable to purchase these commodities in the country in adequate quantities. Our priority should be to make prices of these commodities affordable to the countrymen.
- The government should not maintain excessive stocks of foodgrains. This amounts to hoarding and is no different in its effects from hoarding by private players. It keeps market prices of foodgrains high and thus deprives people of basic items necessary for

maintaining healthy living. The excessive foodstocks should be liquidated through the PDS by providing additional foodgrains to BPL/APL families at nominal prices.

- There should be strict laws against hoarding and speculation in food articles.
- Role of middlemen in the food sector should be strictly controlled. In the sectors where their role serves some essential functions, these should be strictly regulated.
- Market forces may be restrained from running wildly by giving unwarranted windfall gains to the controllers of supplies, especially of the farm produce sold almost immediately after harvest and stored and hoarded by the trader-speculators. There is little justification for the wild run of the prices of the essential wage goods critical for sustaining investments. Hence a windfall tax may be imposed to bring to the public exchequer a reasonable part of such windfall gains by the traders and speculators, as a percent of the windfall gain calculated on the basis of the difference between the post-harvest price plus the storage, interest and wear and tear losses vis-à-vis the average of the inflation period price. This revenue may be used for cash transfer or subsidising the consumers below a certain income or consumption expenditure threshold.

LABOUR/ LABOUR LAWS:

- MNREGA wages in no case should be lower than fixed minimum wages. And these wages should be regularly adjusted for inflation.
- It has been argued that India's labour laws create rigidity in the labour market and hinder the country's industrial growth. However, this argument appears unconvincing especially since the middle of the 2000s, as the facts show that contract workers or other employees who are outside the purview of the labour laws accounted for 69% of the new employment created in India's organised manufacturing during the 2000s. These aspects should be taken into consideration while amending labour laws.
- The terms for employing labour in the private sector must conform to statutory labour laws.
- Violation of labour laws should be made a punishable offence and appropriate deductions from the bank accounts of those failing to pay this sum must be made as a collection of tax dues. No casual labour for a regular, on-going work in any establishment should be permitted and there should be machinery, such as a labour laws enforcement agency with judicial rights.
- The pace of job creation in India has been far from adequate given the challenge of absorbing the rising supply of potential workers, especially females.
- The revival of the manufacturing sector, especially in rural areas, is crucial for the creation of decent employment for the millions of poor Indians and for achieving the goal of more inclusive economic growth in India.
- The important constraints to the growth of Indian manufacturing, especially the small-scale enterprises, have been many. These include power shortages, inadequacy and

high cost of credit, fluctuations in prices of raw material, and rising import intensity in machinery and transport equipment industries. These constraints need to be removed.

- Greater domestic investment and well-directed industrial policies are crucial for the revival of manufacturing, including the traditional, labour-intensive and agro-based industries.

FISCAL POLICY/TAXATION:

- Income tax rates for rich individuals need to be raised significantly. For persons with incomes between Rs.30 lakh and Rs.1 crore, the tax rate should be 40 percent and for incomes above Rs.1 crore, it should be 50 percent. This would help to increase our tax-GDP ratio somewhat. The present 10% surcharge on taxable incomes more than 1 crore is too little.
- The government should strengthen its tax machinery to identify the rich people who do not pay taxes. The cases of tax default should be vigorously pursued and severe fines/harsh punishment, in a transparent and legal manner, should be imposed on the defaulters.
- To achieve fiscal deficit targets, steps should be taken to curtail wasteful expenditures. Attempts to reduce fiscal deficit by reducing capital expenditure and necessary/genuine revenue expenditures are not acceptable (especially in social sectors).
- Meeting fiscal deficit targets just to please credit rating agencies abroad cannot be the sole objective of our government.
- India's (centre and states combined) tax-to-GDP ratio is about 16 percent. This ratio needs to be raised significantly in order for the government to fulfil the functions that are considered socially desirable and that cannot be left to the private sector.
- Automobiles – personal motor cars costing more than 8 lakhs to be treated as luxuries and demerit goods; to be taxed for pollution, congestion and excessive diesel consumption.
- Make annual filing of returns on total property of all kinds by the income tax assesses mandatory on a format prescribed, mentioning assets both in physical terms and wherever possible in current market price terms or in historical prices along with the date or time of acquisition.
- Give a voter ID card, Pan card, Passport Number and make them mandatory for bank accounts and loans, share purchase, property deals, purchase of ornaments, valuables, objects of art etc, above a specified value threshold, for registration of businesses/shops, factories and any commercial establishment, or to put briefly, for all economic and financial transactions, including exchange of gifts above certain specified value-limit. Obviously all these returns must be sent to the financial and economic intelligence units. In a country with bio-metric data about the citizens, such economic and financial monitoring cannot be considered an infringement of any civic and human rights, provided non-official agencies are denied access to personal data.
- All tax returns of related units maybe cross-checked regularly and systematically.

- Revival of the estate or inheritance tax.
- Make the wealth tax meaningful and real by making a distinction between productive, employment generating, and unproductive and speculative rather than let the wealth tax remain a ritual or a fixture of little consequence in view of the static and low returns and an anachronism in a country with massive and mounting concentration of private wealth of all descriptions in a few hands.
- Public expenditure policy must be made progressive: to begin with at least a proportionate amount of public spending must be devoted to the programs and schemes for benefiting various identified socio-economic categories of citizens. Gradually the earmarked spending may be increased to more than the proportionate amount as is inherent in the principle of progressive fiscal policy. This is a way of mitigating the ill effects of inequalities, supplementing the principle of progressive taxation.
- Tax arrears and disputed sums of revenue demand must be settled within a fixed time-frame; delays beyond such limits must lead to tentative deposit of a sum equal to at least three-fourths of the total demand.
- Indirect taxes on goods and services must follow the principle of low taxes on mass consumption goods and high taxation on luxuries, high energy and import –intensity goods. Life saving services and human capital building services must attract lower tax rates. Overall the major source of revenue must be the direct taxes. Private costly education by the so-called public schools must be taxed heavily. Health and education businesses must be brought under public audit and a high degree of transparency in their expenditure has to be imposed. High professional credentials must be made mandatory for running and managing such professional services and simply the capacity to raise finance must be prevented from running such highly professional services.
- Tax Litigation: Set up separate benches for dealing exclusively with tax matters involving amounts of above a certain minimum.
- A transactions tax on all stock market and futures market transactions at least at 0.1 per cent must be collected.
- All windfall profits and gains from financial market deals must be taxed at rates higher than those applicable to other incomes.
- All tax arrears must be cleared prior to sanction of fresh advances to businesses.
- Third residential house and total house area beyond a limit should attract a tax.

PUBLIC SECTOR:

- A basis for real inclusive development: According primacy to public investment for people-centric infrastructure for simultaneously boosting the growth of GDP, productivity of the unorganized sector activities and quality of life in our villages and small towns.
- Public investment must be increased in order to become the prime engine of growth in terms of national-social priorities and thus give a big fillip to growth which is

simultaneously socially inclusive and concentrates on a pattern of production that answers the basic needs of the people, generates low-capital cost employment in a regionally dispersed manner, honours our commitment to environment –friendly development, reduces our import-dependence, increases our exports without the support of artificial crutches of excessive fiscal and other incentives, that is based on genuine export-competitiveness, gives boost to indigenous development of technology and is regionally well-distributed with accent on backward regions. In simple terms, not growth as such and for its own sake but socially desirable pattern of growth which improves the quality of life of the people and prioritizes the needs and concerns of the aam adami and aurat in a balanced manner.

- Public investment must replace private corporate investment as the prime engine of growth by withdrawing all tax and fiscal incentives and cheap finance from public bodies like banks and development finance companies (taking group companies as a single entity for purposes of dealing with in terms of public policy support and oversight) particularly with respect to the companies which have created massive non-performing assets and have defaulted on paying back as also those facing tax evasion, money laundering and other economic offences/charges and have huge tax arrears outstanding against them.
- As far as public investment goes the top priority must go to the goods and services which improve the quality of life of the common people, along with their contribution to add to the productive efficiency of the peasantry, artisans and other unorganized own-account enterprises with small scale operations.
- In this connection a major national level operation may be launched to use public investment for making our villages good and healthy habitats as hubs of productive activities of mutual support as consumers, suppliers and producers—genuine production industries. Thus the village India can become the major contributor to high quality socially desirable economic and social growth with immense possibilities for enhancing social inclusion.
- Concerted efforts needed to generate employment through a massive revival of the public sector.
- No disinvestment of profit-making public enterprises and no transfer of the management and control of any public enterprises to any group having a dominant position in the concerned industry. Disinvestment should not be allowed to create huge oligopolies and monopolies and dominant firm in any industry.
- An independent body answerable directly to the Parliament should be set up to minimise abuse of power by the government and ensure the autonomy of public sector within the guidelines framed for public enterprises in different categories of businesses. The role of the government should be restricted to policy making only.
- Development Financial Institutions (DFIs) for the manufacturing sector should be revived at the earliest.

BANKING:

- Non-performing assets of banks are rising at an alarming rate. The government needs to deal strictly with the defaulters. In case of serious default, assets of the defaulters should be seized and the companies should be taken over by the lending banks/government.
- All bank loans and other loans from the PFs should be shared among all the financial institutions.

RESOURCES:

- The gas being extracted from the KG Basin is a national resource: It is not a property of Reliance Industries. Therefore, Reliance Industries cannot be allowed to keep hiking the rates at which they would supply it. Any decision in this regard has to be taken keeping the interests of the nation in view. The Central government's decision to double the rate to \$8 per unit (mbtu) is one of the clearest expressions of crony capitalism our country has ever seen. This decision need to be reversed.
- All natural resources should be in public hands.

GOVERNANCE:

- The government machinery to deal with the problem of food adulteration is very poor. It needs to be strengthened substantially. For that purpose, adequate resources (both manpower and finances) should be provided.
- Indian pharmaceutical companies should be made to comply with international standards, practices and expectations. Drug adulteration is a very serious criminal offence. Heaviest possible penalties should be imposed against producers of fake drugs.
- A radical reorientation in the processes of planning and implementation by foregrounding the question of transforming the lives of the marginalized.
- Ministers should be made more accountable for the failures of their respective ministries/departments. Collective responsibility should not be an excuse to shield individual inefficiencies. The present practice of GOMs is further obfuscating the responsibilities of individual ministers. Those who once failed in discharging their responsibilities should not be accommodated elsewhere either as ministers or governors for a minimum period of five years. At the time of reshuffles, there should be public explanation as to why a minister was found unsuitable in a portfolio and how he could serve better in another one.
- Peoples' Representatives should not only declare their assets but also their direct and indirect relationships with private business interests during the preceding ten years. Elected representatives with major commercial interests should not be given ministerial responsibilities.

- Revolving Doors: There must be a minimum cooling period for government officials and PSU employees to enter private industry and vice versa.
- Reports by private consultants should be subject to public scrutiny before accepting or rejecting their recommendations. The consulting agencies should declare in their submissions, their ownership and control interests, their sub-contractors and the list of clients whom they have served in the past five years.
- Recover stolen money from those indicted by the courts for corruption.
- The SC views on banning indicted criminals from participation in elections must be implemented.
- All the privileges in the form of VIPs and associated privileges must be withdrawn .
- Preferential allocations to MPs, MLAs and the like must be stopped so that they have a level playing field. No pension to be given to any elected representative and no houses etc to be allotted to them when they demit office.
- The salaries and perks of the elected representatives must not be more than ten times the per capita income .

INDUSTRY/ SMEs:

- The National Manufacturing Policy had set growth target of 12% to 14% per year. But during 2013-14, the manufacturing sector is expected to decline by 0.2%. This is a hugely worrisome development. The government needs to take urgent steps to revive growth in this sector.
- Reduction of excise duty on SUVs and expensive cars as announced by the Finance Minister in the interim budget is a retrograde step. It is an undeserving subsidy to the rich people. It is also a step that will have an adverse effect on our health and environment. The excise rates on these vehicles (especially on diesel SUV models that are fuel-guzzlers) should be restored to earlier levels soon.
- Offer incentives and direct support to the tiny, small and medium enterprises in terms of low cost finance, marketing, technology and other services based on viable projects and on the condition of adhering to labour laws. Such support should be on the condition of producing mass consumption goods and providing essential social services in a decentralized manner, using environment –friendly technologies, low-energy intensity and should be encouraged to produce substitutes for machine parts and components capable of small-scale production by specially gifted mechanics.

TRADE:

- To tackle the serious problem of current account deficit (CAD), the government had raised import duty on gold to 10% from 2% and also mandated that 20% of imported gold has to be exported (the 80:20 scheme). These steps have succeeded in curtailing gold import and thus reducing the current account deficit. Government should

continue with these policies as reversal would cause an increase in CAD that would plunge the country into a serious international foreign exchange crisis.

- Imports for the manufacturing of personal motor cars to attract a cess on the normal imports and no tax exemption to accrue for the trade in such cars, under FTAs and preferential trade agreements, whether bilateral or multilateral.
- Gold imports for purposes other than production of ornaments for exports to be discouraged and at least twenty years imprisonment to be made mandatory for smuggling and forfeiture of assets twice the value of smuggled gold. Any officer aligned with the smugglers to be summarily dismissed and imprisoned as if he or she were directly engaged in smuggling.

FDI/ FOREIGN INVESTMENTS:

- Last year, the Central Government had opened the retail sector to FDI. This decision should be rescinded as has been done by the Aam Aadmi Party government in Delhi.
- All foreign investments should be subject to KYC norms and identification of ultimate beneficiaries.
- Foreign collaboration agreements should not contain clauses that restrict the Indian collaborators freedom to indigenise the production by developing or substituting with local inputs. Nor should they preclude exports.
- FDI should be accompanied by commitment to transfer technology within a pre-determined period.
- 100% foreign owned companies should not be allowed to pay royalties to their parents and associate companies. No additional royalty to be paid on exports by FDI companies.
- Far from paying royalties on foreign brands and trademarks, users – both foreign companies and their Indian franchisees/licensees – should be made to pay a certain levy. The funds should be utilised for promoting Indian brands of SMEs and local R&D and meeting the expenses towards filing patents. It is necessary to neutralise the disadvantages of Indian entrepreneurs.
- R&D related tax benefits should not be extended to companies that file patents abroad instead of in India.
- All Free Trade Agreements (FTAs), Bilateral Investment Treaties (BITs), and Double Taxation Avoidance Agreements (DTAA) should be reviewed comprehensively and steps should be initiated to amend the same to rid them of clauses inimical to India's national economic interests.
- The Foreign Investment Promotion Board (FIPB) should be replaced by a Foreign Investment Review Board (FIRB).
- A White paper detailing the costs and benefits of all types of foreign investments made since 1991 in terms of the quantum of inflows, outflows on various accounts including dividends, capital gains, royalty and technology payments, technology transferred should be issued.

- Sectoral ministries should have the main say in formulating policies for the respective sectors. The role of Finance Ministry and the Department of Industrial Policy and Promotion (DIPP) should be limited to providing inputs from outside on specific aspects of a sectoral policy.
- Foreign investments in the services sector especially through acquisitions should be discouraged. In all other cases foreign acquisitions should be treated differently from acquisition by local entrepreneurs and the present size limits should not be applicable for clearance from the Competition Commission of India when the target company is among the market leaders.
- Outward investments should be subjected to strict scrutiny with strategic interest serving as the cornerstone of the policy. Investments in financial entities and holding companies and in tax havens should be discouraged. Such existing investments should be made to give full details of fund utilisation and performance.
- Information on Indian branches of foreign companies should be made available on a comparable basis as that of companies incorporated in India.
- FDI should be limited to wholesale trade only and that too with strict performance requirements. Any other form of retail trade that could hurt the interests of local trade and industry should not be allowed.

IPR:

- There is increasing pressure from the US to dilute India's patent regulations to suit their globally dominant pharma MNCs. This needs to be resisted at all costs. If IP flexibility and high standards of patentability are rolled back in India, then adverse impact will not only be felt in India but also in many other low and middle-income countries as these countries rely on low-priced high quality generic medicines produced in India.

FOREIGN POLICY:

- Upholding people-centric foreign policy that has evolved from the freedom movement and has stood the test of time. The euphoria created over border skirmishes, to gain political mileage over domestic rivals, must be countered.

SOCIAL AND CULTURAL POLICY:

- Compulsory teaching and public examination of the local language must be enforced uniformly. Gradually public sector must take the responsibility of health and educational services but private funding on philanthropic basis may be encouraged. Chauvinistic and communal teaching, capable of spreading hatred and disrespect for fellow citizens must be proscribed. Scientific temper, humanism and environmental empathy must be fostered as also respect for cultural heritage of one's own as also of others.

- Pornography and sexist literature and other material must be banned and the young should be particularly protected against the exposure to such material by all the possible means.
- Our literature, cultural heritage, art and music must be given pride of place in our media and in the name of freedom of expression crass commercialization must be checked; possibly by imposing a one-time total levy based on the estimated viewership size. The revenue so collected may be earmarked for supporting the production of audio-visual presentations of the chosen literary classics. The virus of sexism, commoditization of female body and their portrayal as objects of enjoyment and indulgence (mauj-masti, as they say), and misleading, vulgar and false-claims based advertisements of luxury and frivolous products, damaging to our culture and decent life styles must be curbed both by legal means and by offering healthy, creative and sublime substitutes. The literary, cultural and humanistic content of both public and private media must be increased.
- All the advertisements making claims about the effectiveness of their medicines, cosmetics and food items must get clearance from the relevant expert bodies, such as Medical Council of India, UGC, Consumers' bodies and indecent exposure of women and human physiology and suggestive and explicit sexist advertisements must be banned and heavy penalties must be imposed on the offenders.
- Advertisements educating people on hygienic practices and littering should be a regular feature on the electronic media.
- As a part of preserving our heritage and increase the cultural content and popularization of good literature, the public media must start series of programmes about our great literary works, classics and the premier poets, novelists, authors (other than the living ones)
- Reservation benefits must be restricted apart from the non-creamy layer persons and families (to be fixed on par with BPL) and all government servants, elected representatives, professionals such as doctors, CAs, etc must be barred from getting the benefit of reservations so that the really needy can benefit.
- Small and marginal farmers and informal sector artisans should get the benefit of reservations.

ELECTORAL REFORMS:

- Divestment of power of elected bodies, from Gram Panchayat to Parliament, among all their members rather than the pradhans (chiefs).
- Government to provide common physical facilities for election campaigns to every candidate such as a stage or platform with an adequate public address system (under the local body or local police) for addressing public meetings in every locality(it can easily double up as a regular feature for common recreational and cultural activities, voter number slips, make an round the year, common places for display of hoardings of all the candidates, some transport facilities for the authorized canvassers to a limited extent, so as to cover each habitat at least twice, and so on in consultation

with the political parties. Independent candidates who can muster the open support of at least 2 to 5 percent of the electorate may also be entitled to such physical facilities. There does not seem to exist any basis for making these facilities available according to past performance (though current party membership strength or number of openly countable supporters in verifiable numbers can be thought of a possible criterion) as each election should offer equal space and facilities to all the claimants, rather than build with an initial advantage for the well-entrenched and thus place a premium on the status quo. In no case any cash payment to fund party election campaigns should be permitted. Actually an ideal case would be one in which the candidates are asked to submit their election expenses budget and its sources of funding along with the nomination paper as it can provide a yard stick against which verification becomes somewhat systematic. Given the mess these aspects of elections have led the entire nation to, it would be irresponsible to object to such attempts at making these processes honest, equitable, open, accountable and capable, as far as possible, of shunning misuse of grossly unequal positions occupied by the politically active and ambitious persons and groups and their high-handed practices. Copies of the election manifesto and promises of each candidate must be given wide publicity on the electronic and print media on the basis of some commonly agreed principles, which are best left to be determined by the judiciary for determining fair chances to everyone.

COMPANY LAW/ BUSINESS LAWS:

- No single person company formation to be allowed.
- Limited liability for closely held companies and private limited companies to be, limited in order to make the owners accountable and responsible for upright behaviour, particularly with respect to transactions with closely related common personnel companies. No private placement of the shares of the non-quoted companies to be allowed at more than 10 to 20 per cent premium.
- Independent directors to be appointed by the shareholders minus the management and with identifiable role of the professional bodies of CAs, cost accountants and company secretaries.
- No assignment of insurance policies to be permitted when the assignee is not related to the insured person in order to prevent benami insurance policies.
- Inter-locking directorships of companies to be restricted to a fixed small number.
- Limitations on companies floating and participating in the floating of other companies.
- Association with shell companies in any form whatsoever in tax havens and any other place outside India, including opening of bank accounts or participation in any financial deals through a such agencies, to be treated as illegal and theft of natural

resources to be treated as a criminal offence and carry punishment equivalent to thieves and dacoits.

- Prevent the existing companies from floating new companies or in other words, every promoter has to be a real person of flesh and blood rather than a legal person. This is particularly important for preventing the misuse of the company format for starting shell companies, stashing away of black wealth and private share deals, particularly for converting the black into white.
- Real beneficiaries of trusts and foundations, associations of persons, etc must be mandatorily disclosed.
- A law to freeze all property ownership as disclosed and declared in legal documents has to be enacted and no claim on them by any one, presumably the real owners, should have legal validity. Hence their transfer on the basis of any counter-balancing document nearly close to the value of the benami property must be prevented by law, meaning make the counter-balancing document infructuous as a worthless piece of paper.
- Online filings should be meaningful and amenable to time series comparisons for a company and across different companies. At present a lot of relevant information is provided in text format and thus is not available for quick access. Exemptions from disclosures should be exceptions rather than rule.
- Related party transactions should be disclosed in such a manner that facilitates the assessment of arms length relationship.
- Each company should declare its ultimate beneficiary interests along with the annual return and accounts, at the end of the year and changes during the period. Names of the companies should be prominently displayed outside the registered office.
- MCA21 software should facilitate cross-referencing of name changes, mergers and amalgamations, shifting of registered offices, directors' historical affiliations.
- Companies other than those registered with SEBI as stock market intermediaries should declare their investments not only at the end of the financial year but also when changes/new investments occur.
- Donations to political parties by companies and business houses, trusts and other entities set up by them should be banned. Donations to be collected only from individuals and any amounts above a certain limits should be notified on the party's website.
- Instead of Corporate Social Responsibility related spending, companies of a minimum size should be mandated to spend on R&D on their own or support R&D in universities and recognised research establishments fully owned by Indians. The rights over the outcomes of such research if conducted outside should rest with the researchers. Alternatively, the amounts could be credited to a fund which could be used only on creating and maintaining common facilities including industrial pollution control measures.
- While introduction of 'One Person Company' is itself incongruent, permitting each person to float a maximum of five OPCs is quite indefensible. While there are limits on turnover and capital of a single OPC there are no limits on borrowings.

- Size classification of companies should not be based on paid-up capital or standalone turnover and assets. Size-based exemptions and private-public distinction should be extended only if such companies are not promoted by big business companies, associated individuals and their family members.
- India is known to dilute strict laws with weak rules. Rules under the Companies Act, 2013 should not be a victim of such wilful negligence.
- Companies making tax free contribution to political parties and persons, must get prior approval of the minority shareholders who may hold a different political perspective and must be disclosed immediately on the company's net sights. Such contributions must be disclosed to the election commission and the other major political parties.
- All the memoranda given by the companies to the authorities must be placed on the company's website.

MEDIA:

- Liberation of media, a prominent pillar of democracy, from corporate control.
- All TV and Radio channels, irrespective of their genre, should simultaneously air public interest programmes at least once a day especially during 6:00 PM and 10:00 PM. All ownership interests above a certain limit should be displayed prominently just below the mast head of newspapers everyday. All News Channels to run hourly scrolls declaring their ownership and commercial interests. Any news, views relating to their major advertisers, associated entities and their businesses should be accompanied by a declaration to that effect.