

Proposed budget cuts could impact nutrition services, say activists

Health sector requires more funding: Activists

EXPRESS NEWS SERVICE
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THE STATE'S proposed budget estimates for 2017-18 could significantly impact child and women health with the Integrated Child Development Services (ICDS) allocation starting a 31 per cent cut this year, activists say.

In the last year, the budget deduction was a significant 62 per cent. Experts and activists associated with the Jan Arogya Yojana (JAY) Wednesday criticised the Maharashtra government for cutting budgets for the health and child development

Allocation slashed by 31 per cent; child and women healthcare to get a report by JAA says.

The budget cuts can affect the state-wide implementation of the newly-launched Integrated Child Development Services (ICDS) under the Women and Child Development Department.

Abdul Kalam said that is...

The ICDS under WCD

'People's Budget' demands hike in anganwadi wages

among them. They also sought that vacancies in ICDS be filled.

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REDUCED SPENDING

- Allocation for medicine procurement reduced by Rs 104 crore
- Public health dept budget brought down to Rs 8,705 crore
- National Health Mission sees cuts of Rs 844 crore
- Mahatma Jyotiba Phule Arogya Yojana allocated Rs 571 crore, lower than the revised expenditure of Rs 1,550 crore in 2017-18

estimates in 2017-18 was Rs 3,472 crore, which has been reduced to Rs 2,629 crores for 2018-19.

"Maharashtra's per capita health expenditure has reduced from Rs 1,082 in 2017-18 to Rs 1,001 this year. Our state is below the national average," said health expert Ravi Duggal. The share of the health budget has reduced from 4.3 per cent to 3.6 per cent in state's total budget this year.

Activists from the JAA also condemned the consecutive budget cuts in Integrated Child Development Services (ICDS) scheme to provide nutrition for children under six years of age.

"In the last three years, Rs 1,443 crore was deducted from

Jagnyacha Hakkachya Andolan



Map Not to Scale

National Centre for Advocacy Studies



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Introduction

Making our budget-makers faithful to the Constitution

“Are our budget makers faithful to the Constitution?” noted economist and member of the then Planning Commission of India, Late Dr. L. C. Jain wrote way back in 1994. Today, over two decades and a half, the question has become even more relevant, as, with every passing year the democratically elected governments are minimising their role and responsibilities. The Indian State has almost completed its journey from being a welfare state, to becoming a facilitator for private sector, guarding the interests of and acting on behalf of the corporate sector. The policy makers are acting in contravention to the promises made on behalf of the State in the Constitution of India - the promises of equal opportunity of development to all. This is pretty much evident in the public policies, including budgets. The rich and corporate- favouring public financing has obviously led to criminal neglect of the poor and the marginalised populations of the country.

The people and civil society groups working to safeguard the rights of the disadvantaged people have been aware of the significance of government budgets and have been trying to engage with and influence the budget processes in various ways for the past 25-30 years. The civil society activism on budgets has been able to decode and demystify budgets for commoners, thereby adding to the strength of the masses struggling for their rights. Civil society’s constructive engagement with the budget processes has brought about many changes in the budget-making and its implementation, making budgetary processes relatively transparent. Such work around budgets has brought this otherwise technical subject very much in the public discourse in the country. However, with increasing tendencies of centralisation of decisions in public finance, the scope for civil society engagements is fast shrinking.

Over the past few years, the fiscal landscape in the country has witnessed major changes. These changes have impacted the centre-state relations among many other things. The end of planning era and the change in the sharing of net tax proceeds between the Union and state governments are the two major changes that have redefined fiscal authority and fiscal responsibilities in the economy. With a sharp decline in the centre’s budgetary commitment for socio-economic development, and an apparent increase in the kitty of the states, the states are expected to shoulder greater responsibility of socio-economic development. This shift has necessitated increased engagement with the state budgetary processes.

Acknowledging this shift in the fiscal landscape of the country, rights-based action groups in Maharashtra started analysing state budget from the lens of the marginalised since 2015-16. A collective of groups, social organisations and trade unions came together under the banner of Jagnyachya Hakkache Andolan (Campaign for Right to Live) and started advocacy work for livelihood rights and social security for the toiling urban and rural masses, especially the working men and women in the informal sector. As part of the larger struggle for rights of the people, JHA started analysing the state budget. The critical analysis by the JHA provided much needed critical knowledge input to the mass movements and people’s struggles for right to health, right to food,

right to

education, etc. JHA's analysis with sharp criticism and concrete suggestions was welcome by all and received much acclaim and media attention. Budget related advocacy by various groups used JHA's analysis and compelled the state government to revise allocations in certain cases. This has been one of the major achievements of the JHA's budget advocacy. This serious attempt at budget analysis from the lens of the marginalised has now become a very important tool in the people's struggles – for a just and more humane society in the state.

Transformative politics rests on two pillars – Politics of Protest, and Politics of Proposal. People-Centred Advocacy can become effective when it combines resistance with concrete proposals for change. Bearing this in mind, the JHA held pre-budget consultations and presented its demands to the state government before every budget. In the post-facto analysis of the state budget every year, the JHA also suggested better ways of resource generation and fund utilisation. The groups and organisations working on various issues were the ones who based on their experiences of working with people prepared charters of demands and also analysed government's tax and expenditure proposals. If we could analyse the budget, know what people of the state want from the state budget, we could also prepare a people's budget!

And so, the JHA decided to undertake a very ambitious exercise – an exercise to actually prepare a People's Budget for the state of Maharashtra. With the help of some budget experts of the likes of Ravi Duggal, the JHA member groups and organisations undertook this massive exercise. This People's Budget included concrete expenditure proposals in the areas of public health, school education, nutrition and food security, ST/SC development, etc. and also concrete proposals for resource generation.

This exercise was probably the first of its kind in the state. The JHA has made a beginning with presentation of the People's Budget for select sectors such as Public Health, Nutrition, Food and Civil Supplies, Education and Scheduled Caste Plan and Scheduled Tribe Plan. This effort needs to be strengthened and expanded to cover other critically important sectors of the state's economy. We are sure that many like-minded individuals and groups will join the JHA's advocacy for people-centred budgeting in the state.

It is time people came together to make our budget-makers faithful to the Constitution.

In solidarity,

Amit Narkar

2. 1 People's Health Budget 2018-19

- *Additional Funds of Rs. 4336 crores required for public health services.*
- *Total proposed budget for public health services for 2018-19 is Rs. 16503 crores.*

Maharashtra is known as progressive state, having one of the highest per capita incomes among larger Indian states. However, presently the government of Maharashtra is spending only Rs. 996 per capita on public health expenditure in 2017-18, much lower compared to national average (Rs 1538), and other so-called less developed states like Chhattisgarh (Rs. 1671/person) and Telangana (Rs. 1801/person). Several unfortunate attacks by aggrieved groups on public health system doctors and high number of deaths of children in district hospitals like Nashik are symptoms of Maharashtra's public health system crisis, linked with low budget allocations and inadequate expenditure. Even these low allocations are not adequately spent – **during 2017-18 till the end of Jan 2018, only 56% of total public health expenditure had been done by the state Government**, and regarding medicine the expenditure was only 27%. With regard to NHM program in the current FY 2017-18, only 59% of budget had been spent till end of Jan 2018. And in the last financial year 2016-17 total expenditure under NHM program was 56% until 31st March 2017. So there are major gaps and declining trend seen in the allocations at state level, as well as delay in disbursement from the union government. This is the emerging government policy of **imposing 'double budget cuts' – firstly low allocations, then constricting and then delaying actual expenditure of the limited budget**. This under-resourcing of public health system is severely affecting the effective implementation of health programs and

is pushing people towards private health care.

Given this background, **Jan Arogya Abhiyan has done an exercise of developing a people's health budget for 2018-19**, estimating that for provision of quality health services to the people of Maharashtra, what scale of funds should be allocated by the state today.

People's Health Budget- people's initiative for people's health rights

1. Required Human resource for providing quality public health care to rural and urban people

Human Resource is a crucial and essential component for functioning of the public health sector. It is assumed that if adequate public health services are to be provided to rural and urban areas, all the required posts of health functionaries' especially frontline health providers, doctors, specialists and paramedical staff should be filled on regular basis. Hence based on our calculations, **additional Rs. 1870 crores will be required for ensuring regular, adequate and essential Human Resources in the public health sector in Maharashtra, focused on primary level services**. Following are the key points for ensuring HR on regular basis-

1. Additional amount of **Rs. 267 crores is required for ensuring full availability of regular staff** –medical doctors, specialists, nurses and key staff in each sub-

centre, PHC and RH of Maharashtra.

2. All existing contractual staff appointed under National Health Mission should be appointed on a regular basis and for this, Maharashtra state will require **additional Rs. 307 crores**. To upgrade and ensure sustainability of services, Jan Arogya Abhiyan is proposing that all NHM contractual staff should be now engaged on permanent basis.
3. ASHA workers in the rural areas are working quite proactively in the health system but they are very poorly supported through uncertain and inadequate incentive-based payments. Hence Jan Arogya Abhiyan is proposing that ASHAs in all rural and urban areas should get monthly payment of Rs. 5000 per month for conducting a range of regular, expanded activities. For this **additional Rs. 660 crores will be required for ASHA workers**.
4. Additional HR to set up new PHCs in urban areas across cities and towns of Maharashtra are required to provide primary health care to urban low-income populations. **Total Rs. 636 crores will be required for this HR component for urban PHCs** (see below).

2. Universal free and adequate medicines – The current State medicine budget in public health services is Rs. 471 crores for FY 2017-18. If Maharashtra wants to ensure full availability of medicines in all public health facilities, then the state may need to spend medicine budget as per Rajasthan (per capita Rs.65/-), in this situation total cost for medicines in Maharashtra would be Rs. 728 crores. So **additionally, Rs. 257 crores will be required to provide adequate free medicines through**

public health facilities across Maharashtra.

National Health Mission –

National Rural Health Mission- In 2017-18, Rs.2093 crores were made available under NRHM program. These funds should be increased to upgrade rural health services, as mentioned in HR section. ASHA worker should be provided Rs.5000 per month, also she should be trained and supported to run daily Health clinic in her village for 2 hours, and ensure counseling of parents of all malnourished children. Further, peripheral health institutions should be upgraded to IPHS standards, so JAA has proposed funds for this (see below). Also, JAA has calculated costs required to run NRC (nutrition rehabilitation Centre in RH/SDH) to treat ill and severely malnourished children in the respective areas. Further, when public health budget is expanded, in parallel it is necessary to ensure improved functioning and accountability of health services. Hence 0.5% of total budget has been proposed for community monitoring and planning of services. Details of these sub points are given below.

- **For Upgradation of infrastructure in health institutions as per IPHS standards –** Along with ensuring adequate funds for HR and medicines, additional amount will be required to upgrade infrastructure in the current health institutions. Hence **Rs.2277 crores will be required to upgrade PHCs and CHCs / Rural hospitals** in rural area
- **Nutrition Rehabilitation Centers to be developed in the Rural Hospitals and SDH –** Total Rs.400 crores will be allocated for supporting accessible NRCs at RH/SDH/DH. These funds would be required to ensure nutritious food for malnourished children, medicine, food allowance for parents, and daily wages for

malnourished children, so she should get additional residential trainings, which would cost around Rs.220 crores.

- **Generalized Community based monitoring and planning of Public Health Services** – Increasing the health services should try to make the demand of the services, so 0.5% of total allocations for public health (Rs.90 crores) have been calculated for generalized implementation of Community based monitoring and planning of health services across entire Maharashtra.

National Urban Health Mission

Overall urban public health services are very weak in Maharashtra and NUHM is yet to make any significant impact. So JAA has calculated amount to be allocated for ensuring primary health centres in urban Maharashtra. Total Rs.636 crores will be required for HR in primary health centres (mentioned under HR section), and additional similar amount (Rs.636 crores) has been calculated for supportive expenses. So additional NUHM budget for urban primary health centres will be Rs.1272 crores.

In order to support the above-mentioned proposals to upgrade public health services, in total Rs. 5740 crores will be required additionally in 2018-19. Hence if state government decides to allocate budget of Rs. 1600 per person (which is slightly above current per capita public health expenditure at national level), this will enable fulfillment of all the demands raised above. This level of spending would mean in total around Rs. 17,907 crores will be available for public health services in Maharashtra state. All these will contribute to ensuring quality primary level health care for rural and urban people of Maharashtra, leading to fulfillment of their health rights.

Hence Maharashtra state should not get into expanding insurance-based schemes and PPP based privatization models, rather the state should utilize the available funds for essential and effective implementation of public health care services along with community accountability and participation. This will provide health care assurance in real sense to the people of Maharashtra.

Additional budget items in Crores		
Sr.No	Details of expenses	Additional proposed budget
1	Human-power	1870
2	Medicines	257
3	NRC budget for malnourished children in rural Maharashtra*	400
4	ASHA training 4 days*	220
5	CBMP*	90
6	IPHS (1)	227
7	NUHM – urban PHCs (2)	1272
8	Total	4336

Budget item	Amount in Rs. Crores
Public health services budget for Maharashtra (2017-18)	12,167
Proposed increases in budget for coming year	4336
Proposed public health ser- vices budget for Maharashtra (2018-19)	16503

Nitin Jadhav and Trupti Malti

Endnotes

(1) 937 Crores demand includes IPHS upgradation 227 crores, NRCs 400 crores, ASHA training 220 crores, Community monitoring & planning of health services 90 crores. Does not include additional honorarium for ASHAs covered under Human-power.

(2) Supportive components for Urban PHCs, does not include salaries for PHC staff covered under Human-power.

2.2 People's Nutrition Budget 2018-19

- *Additional funds of Rs 4521.02 crores required for ICDS and Rs 1724.06 crores for Amrut Aahar Yojana*
- *Rs 7368.39 crores required for ICDS in 2018-19 and Rs 439.29 crores for Amrut Aahar Yojana*

Out of 60, 26,397 children under the age of 6 in Maharashtra about 6, 34, 634 children are underweight, out of which 83,500 are severely underweight and 5, 51,134 children are moderately underweight.

Integrated Child Development Services (ICDS) is one of the flagship schemes in child nutrition and despite the high number of underweight and malnourished children in the state, the government has allocated extremely low budgets for Anganwadi services. The state slashed the allocations of about Rs. 1443 crore over the last 3 years from Rs. 3607 crores in 2016-17 to Rs. 2134 crores in year 2017-18. The problem does not end at inadequate allocations, it further intensifies due to under spending, only 58.5% of the allocated funds for ICDS were spent by the end of January 2018.

In order to efficiently tackle the problem of nutrition and to provide quality services to the ICDS beneficiaries a total of Rs.7368.39 crores is required, which means total additional allocations of **Rs. 4521.01 crores for ICDS.**

1. In order to provide hot cooked meals to the children aged 6 months to 3 years as well as between 3-6 years the Anganwadis need to function full time (i.e. 8 hours per day). An additional allocation of **Rs. 1871.52 crores** for the honorarium of the Anganwadi workers (13,500/-per

month) and Anganwadi helpers (10,000/- per month) would be required to function full-time. We also demand that all the mini Anganwadis in the state should be converted to Anganwadis and additional resources of Rs. 306.45 crores for new appointments as per the revised honorarium be provided.

1. There are a total of 1, 10,086 Anganwadis in Maharashtra. Additional Rs. 53.17 crores should be allocated for provision of weighing scales, Stadiometers and Infantometers and tapes to all Anganwadis. Along with that, Rs. 11.01 crores need to be allocated for yearly provision of educational material.
2. For capacity building of Anganwadi workers, special training sessions should be organized and Rs. 88.07 crores should be allocated for that.
3. Due to the lack of space several urban Anganwadis function in rented spaces. The current rent threshold of Rs. 750 is clearly inadequate and needs to be raised to Rs. 3000 for municipal cooperation areas and RS. 2000 for municipal council areas and Rs. 1000 for rural areas. A total of Rs. 37.18 crores will be required for this.
4. Supplementary Nutrition-The age group of children coming to the Anganwadis every day should be made 2 years to 6 years instead of current 3-6 years. Also 20.60% of the children who are not covered under ICDS should be covered. The Take Home Rations (THR) for children

below 3 years, pregnant and lactating women should be completely done away with and per head allocations should be raised Rs. 10 per head for children aged 6 months – 2 years, Rs.15 for children between 2 and 6 years and Rs. 30 per head for pregnant and lactating mothers, all of this for 300 days an year. Additional 1828.77 crores will be required for this.

6. Adolescent girls between 12 to 18 years of age who are out of school need supplementary nutrition to check the prevalence of anemia and malnutrition. The supplementary nutrition can be arranged for from the anganwadi. The allocation for this comes to Rs. 280 crores.
7. Bharat Ratna Dr. APJ Abdul Kalam Amrut Aahar Scheme for pregnant and lactating women is a welcome step by the government but the per capita amount of Rs. 25 is not sufficient. It should be raised to Rs. 50 per head. Also, provision of eggs and fruits for children in tribal areas

should be raised to 6 times per week. Rs. 174.06 crores is the allocation required.

8. Fill all the vacant posts of Anganwadi workers trainers and Child protection officers. Currently there is a total of 9236 vacant. This number consists of 2916 Anganwadi workers', 5296 helpers', 7723 supervisors and 301 Child Protection officers' posts.

Some further suggestions for 2019-20 Budget:

- The Anganwadi Centers should run through the day (8 hours per day).
- The Anganwadi workers and helpers should be paid honorarium according to their revised work hours (8 hours per day).
- Crèche services at all Anganwadi centers for Children below the age of 2.
- Currently an Anganwadi caters to an average of 116 beneficiaries. Considering the number of services provided at an An-

Integrated Child Development Services		
Details	Total required allocations per year (in Rs. Crores)	Additional allocations required per year (in.Rs. Crore)
Honorarium of Anganwadi workers and helpers (6 work hours per day)	2,748.80	1,871.52
Quality improvement of Mini-Anganwadis	355.63	306.45
Equipments and preschool education kits	64.18	64.18
Training and other expenses	99.08	88.07
Anganwadi building rent	51.16	37.18
Supplementary nutrition programme	3,894.29	2,026.56
Allocations for malnourished children	82.29	82.29
Community based monitoring	72.95	44.76
Total	7,368.39	4,521.01

Detail	Total required allocations per year (in Rs. Crores)	Additional allocations required per year (in.Rs. Crore)
Amrut Aahar Scheme	439.24	174.06

Vinod Shende

2.3 People's Education Budget 2018-19

- *Additional funds of Rs 8246 crores required for government schools to maintain Kendriya Vidyalaya standards.*
- *Additional funds of Rs 7240 crores required to include the 23 lakh out-of-school (6-13 age) children in the education system.*

Context

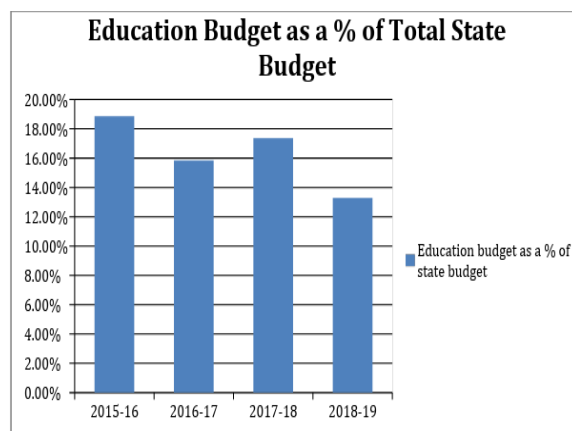
Education is a fundamental right of children in India and is universally accepted as the investment a society makes for its well-being. Having said this, the Right of Children to Free and Compulsory Education Act 2009, caters to the age-group of only 6 to 14. It leaves the Early Childhood Education and Care (ECCE/ Pre-Primary) and Secondary and Higher Secondary education outside its purview. Indeed, subsidized Higher Education needs to be made available too as it is here that knowledge creation takes place and leverage for achieving equity is made possible. The gaps left by the government have been taken-over by the private sector gradually over-shadowing it.

The minimum 6% of GDP allocation for education (50% for elementary education) recommended by the Education Commission in 1968 has only remained on election manifestos of all political parties. The ground reality is seen in annual budgetary allocations. Since education is a shared responsibility of Centre and State the devolution of funds from Centre decided the trend at State level. But here we look at the allocations by the State that is one of the industrially one.

Most importantly; education should be seen as a continuum from Pre-primary to Higher education. Slicing it into separate segments for different sections of society is unjust.

Without firm basis in early education quality school education is not possible and mere Elementary Education without possibility of reaching Higher Education is meaningless in itself as it neither helps economic progress nor is epistemologically empowering.

The trend over the last three years (2015-2016 to 2017-2018):



***2017-18-budget until January 2018.**

The BE for education has increased over the last few years, but BE as a percent of the state budget has decreased. Thus, the increase in the education budget cannot be read as an increase but indeed seen as decrease – considering inflation, increase in enrolment and retention of children.

The share of the education budget of the total state budget for the last two years is below that of FY 2015-16. The same is true for the BE as a percent of the GSDP. Education accounts for only 1.9% of the GSDP as opposed to the 6% that is mentioned in the Kothari Commission report.

As of February 2018, 35.7% of the School Education department's budget has not been spent. The percent of the budgets for SSA and RMSA have increased between 2015-16 and 2017-18. 58% of the central share of SSA is left unspent whereas 68.8% of the RMSA budget is unspent.

Outreach:

1. The total number of schools in Maharashtra have increased to 104, 971 in 2016-2017 as compared to 98,213 in 2015-2016. However, the number of government schools has decreased from 67,294 in 2015-2016 to 66,946 and Private schools have increased from 30,383 in 2015-2016 to 37,360. Enrolment of Students in government schools has also decreased from 5,949,222 in 2015-2016 to 5, 718, 528 in 2016-2017 and enrolment in Private schools has increased from 10,019,040 in 2015-2016 to 10,182.972 in 2016-2017.
2. **The Secondary School sector** where the **RMSA** programme appears has only 1646 (7%) government Schools (Aided schools: 14830 (63.08%) Private Schools: 6323 (29.49%))
3. **The Pre-Primary** education which is addressed by the Section 11 of the RTE Act is not binding on the State and thus Maharashtra has neglected this crucial stage. (DISE data 2016-2017 shows that there were only 12.5% Pre-Primary schools, in 2015-2016 there were 14.1% Pre-Primary schools).

Demands:

1. Right to Education for children between 6 to 14 years is recognized as the fundamental right of and thus the government is duty-bound to provide for it and raise required resources whatever be the costs. The State must pressurize the Centre to allocate a minimum of 6% GDP for education and demand 50% share for Elementary Education. This will increase the inflow of Centre's share.
2. Maharashtra schools should spend as much as the Kendriya Vidyalaya (KV) spend per student. Currently, only Rs

28,630 is spent per student by the government whereas Rs 32263 is spent by KV. Additional funds of Rs. 8246 crore would be required to ensure Kendriya Vidyalaya standard for every student currently enrolled in Maharashtra. There are approximately 23 lakh students out-of-school (age group 6-13) who need to join the system. In order to include them, **an additional budget of 7,420 crore would be required.**

3. Section 11 of the Right to Education Act that directs the State and Local Self-Government bodies to address Pre-Primary Education must be implemented in universal manner. Each school must have a pre-primary section attached to it.
4. The reimbursement for 25% admission for EWS children under RTE should not be reimbursed uniformly/mechanically to all un-aided schools but calculated on basis of fees charged by school, benefits received from State, etc.
5. Within the State if a new private school is proposed land should be sold at commercial rate and not granted on lease or in PPP mode. Water, electricity should be charged commercially – this will increase State's share directly.
6. The only way to make education commercially viable is to invest sufficient resources to make it publicly funded from Pre-Primary to Std. XII (3 to 18 years) with schools in reasonable distance (as per RTE 2009 norms) and/or through hostels, free transport where applicable. In immediate terms this will address the problem of schools < 20 enrolment, multi-grade classrooms, improve TPR and quality instruction, attract lower middle class and middle-class back to public schools and save slippage of revenue diverted to non-government managed aided schools and private unaided schools.

Simantini Dhuru

2.4 People's Budget for Food Security 2018-19

- *Additional funds of Rs 5695 crores required to make changes demanded in the Public Distribution System.*

Maharashtra presents the co-existence of both affluence and poverty at high levels. The per capita income in Maharashtra is Rs.1147939. In contrast the poverty rate in the state at 18% is close to the national average and shows sharp urban-rural disparity. Further, the sudden decision to demonetize high-value currency on November 8, 2016 has led to adverse impact on the farmers who mostly deal with cash transaction. Unfortunately, already reeling under a cash crunch, small and marginal farmers did not have money in hand, leading to country-wide unrest and agrarian

distress. As per times of India report august 2016, As many as 83,068 children below the age of six have been categorized as severely underweight in the state in 2015-16, a rise of 4,595 cases over the previous year. This is a reversal of the trend in the state. The Bombay high court claims malnutrition caused the deaths of more than 17,000 people in Maharashtra between September 2015 and September 2016. The prevalence of malnutrition in Maharashtra is alarming.

Highlight of PDS budget and spending by Maharashtra Government

Food security		Amounts in Rs.	
		Crores	
	2015-16	2016-17	2017-18
BE of Dept (Allocation)	5683.16	6085.257	6046.814
Social security and welfare	0.1	0.9	0.1
Food storage and warehousing	1527.583	1627.709	1756.691
BE as a % of Total State Budget	2.67	2.30	2.14
BE as a % of GSDP	0.28	0.27	0.24
Actual Expenditure as a % of BE (Food and Civil Supplies)	26.888	25.443	10.559
% Unspent	73.11	74.56	90.441

Annapurna scheme	BE	BEAMS Expenditure	Unspent %	Treasury Expenditure	Unspent %
Subsidy for Central Annapurna Scheme	2.5	0	100%	0	100%
Subsidy for covering deficit under National Food Security Scheme	675.09 8	289.817	57.08	186.428	72.386

Keeping in mind the above context let's look at the last year's spending and performance of Maharashtra in PDS sector.

BEAMS data

Per capita Income – 147939 SGDP- 1748000 crores	Yet 71% people live in less than Rs 5000 per month The average mean household consumption in pulses, greens, fruit, fish, oil, Fruit etc. is less than UP and much less than required daily Intake.
Allocation in PDS – 0.24% of GDP	46% of its children malnourished-that's twice the child malnutrition rate of sub-Saharan Africa. Maharashtra ranks 13 among 15 states in terms of nutrition Index Between 2015-16 17000 malnutrition deaths (claim by HC)

Addition subsidy to PHH and AAY	In crores
2 kg Dal @Rs 30/kg	1980
Sugar @ Rs 20/kg	972
2 Kg oil @ Rs 35/ Kg	1728
Wheat and rice to 1.77 crores non-NFSA APL people who have been thrown out of the PDS system	1015
Total subsidy	5695

In the context of malnutrition, joblessness, growing inequality and misery when the government has to increase the social sector spending the Maharashtra government has in fact snatched food from the poor people. Where are *the good days*?

Hungry amid prosperity

Should the rich government like Maharashtra not make proper allocation for food security to improve life and nutrition of its citizens and for improving its Human Development Index and constitutional obligation?

State	Budget 17-18 on PDS in Crores	Population	Per capita
Chhattisgarh	4570	25540196	1792
Tamil Nadu	5500	72138958	705
Karnataka	3478	61,095,297	569
Maharashtra	1772	123174918	158

We ask for the following addition allocations by the state:

Is it asking for a lot? Not really if we look at the table below showing the addition subsidy and items provided by states having less per capita Income than Maharashtra

Small state like Chhattisgarh is spending 1792 per capita on PDS it's really shames that Maharashtra with high GDP is spending just 158 per capita in PDS. Now let's further look at what other states are providing in PDS:

We Demand

1. The Government should make an additional subsidy for 2 kgs of Dal, 2 kgs. of sugar and 2 kgs. of oil per card holder as well as for including 1.77 crore people having Saffron card into PDS system.
For all the above make additional subsidy of Rs 5695 crores.
2. As per section 4 (b) of NFSA 2013 maternity benefit of not less than Rs 6000 per child to be provided to all Indian women. Maharashtra Government should implement this policy immediately with

or without Union budget.

3. To implement transparency and accountability allocate 1% of the total scheme budget.
4. Take back the decision to remove one- or two-member families from Antyodaya category.
5. Aadhar card should not be made compulsory for PDS and no one should be denied ration.
6. The selection criteria must be based on the SECC survey as per the food security act 2013. For this, a fresh selection process should start immediately based on SECC data.
7. Re-start the earlier Annapurna scheme.

State	Item provided by states	Issue Price Rs/kg)	Quantity
Andhra Pradesh	Red Gram	50	1 Kg
Chhattisgarh	Chana	5	2 Kg
	Dal	10	2 Kg
	Salt	Free	2kg
Haryana	Chana Dal or Masur	20	2.5 Kg
	Dal		
Himachal Pradesh	Moon Dal	50	1Kg (for HH with 5 members)
	Urad Dal	35	1 kg
	Chana Dal	25	1 kg (for HH with 3 members)
	Salt	4	1 Kg
	Mustard oil	71	2 Kg
Punjab	Dal	20	0.5 kg per member max 2.5 kg / family of 5
Tamilnadu	Tur Dal	30	1 KG
	Urad	30	1 Kg

2.5 People's SCC and STC 2018-19

- ***Additional funds of Rs 2755.78 crores required for Scheduled Castes and Rs. 501 crores for Scheduled Tribes.***

SCC and STC (formerly known as SCSP and TSP) funds were earmarked from the 'plan' portion of the budget. Following the merger of plan and non-plan budget, the allocation for SCC and STC in the year 2017-18 was Rs. 7,230 Crore and for STC Rs. 6,754 Crores, however as per Budget books for SCC it is Rs 6,352.22 Crore.

The development plan was Rs. 77,184 crores in FY 2017-18, of which 11.8% for SCC is Rs. 9,108 Crore and 9.4% for STC is Rs. 7,255 crores, so there is denial of **Rs 2,755.78 Crore for Scheduled Castes and Rs. 501 Cr for Scheduled Tribes**. Post budget restructuring, Union Budget circular 2018-19, Finance Ministry states that, out of the outlay of Central Sector and Centrally Sponsored Schemes the SCs and STs are entitled to a minimum, and not less than their proportionate population. In the above scenario and to ensure development of SC/ST, it is important that a new formula is proposed for earmarking funds for SC/ST in the State. Secondly, the allocation under SCC and STC is not reflected in the budget books of Social Justice and Tribal Development Department. Separate budgetary statements should be declared for SCC and STC, as is done for STs, also the gender budget statement. The SCC funds should be transferred to SJ department at the beginning of the budget preparation exercise as is done for STC funds and departments should prepare plans for SCC funds in consultation with SJ Department.

SCC and STC fund should be non-divertible; however, as per GR dated 16th October 2017,

Rs 500 Crore from SCC and Rs. 1000 Crore from STC were diverted for Farmer's Loan Waiver. Hence, any such diversion of funds should be immediately revoked and Legislation should be enacted for Scheduled Caste & Scheduled Tribe Component as done in the state of Telangana. The legislation will help in improving the allocations in sectors like education, scholarships, land, housing, livelihood and economic development corporations.

Education

Education provides opportunities for most disadvantages, however recent report by ASER shows that many of the students lack basic skills and institutions does not provide basic infrastructure to reduce dropouts. In a phased manner, the government should upgrade the infrastructure and manpower in the schools by Social Justice Department and Tribal Development Department to the grade of Navodaya Vidyalaya. Presently, 81 schools are manned by Social Justice Department with mere allocation of Rs. 91 Crore. 36 new residential schools, one in each district, should be proposed for Scheduled Castes and Scheduled Tribes as per the Telangana Social Welfare Residential Educational Institutions Society.

Hostel

Hostels are crucial for the students coming from rural background, however recently government order closer of Private-aided

hostel. New hostels should be proposed in urban areas exclusively for girls, with following facilities.

1. The Diet charges to be paid @Rs.750/- P.M per boarder up to 7th class and @Rs.850/-P.M per boarder from 8th to 10th class.
2. Cosmetic charges should be paid @ Rs.50/- per month for boys and, Rs.55/- per month for girls up to VII Class and up to 11 years of age and Rs.75/- per month from Class VIII to X and above 11 years of age.
3. Bedding materials @ of Rs.300/- per set (One Carpet and one Bedsheet) to be supplied. In addition, trunk box, plate and glass to be provided to each boarder.
4. Four pairs of dresses should be given to each hostel boarder along with stitching charges@ Rs.50/-per Pair.
5. Tutors with honorarium @Rs.1500 pm per subject to provide tuition in Maths, Science, English and Hindi subjects, Study material should also be given to achieve targeted results.

Scholarships

Post Matric Scholarships (PMS) should be implemented properly and eligibility of annual income of parents should be revised as mentioned in GOI PMS, and should be released immediately. The state government on one side mentions Rs. 2.5 lakh as annual income limit for Scheduled Tribe student, but for Scheduled Caste students its only Rs. 2 lakhs, which deprives many students from applying for the scheme.

RSM Foreign Scholarships should be extended to 100 students, looking at the budget estimate and expenditure, looking at applications, not even 50 students are selected in any academic year. In case of Scheduled Tribe

only 3 scholarships are granted per year, this should be increased at least to 25.

Land- Sablikaran and Swabhimana Yojna

The scheme is not implemented in most of the districts, as land is not available at the rate provided under scheme. This should be modified as per the scheme of Land Purchase and Land Development of Telangana Government. If for projects like 'Samrudhi', 50 lakhs per acre is given for land acquisition, the amount for Sablikaran and Swabhimana is only Rs 3 lakhs per acre, this should be increased to Rs. 10 lakh per acre and government should purchase and distribute it. Similar scheme is introduced for VJ (A) and NT (B) in the year 2013, but no GR has been issued for it, nor any allocations.

Housing

Government promised housing for Dalits and Adivasis in rural Maharashtra, however allocation and implementation under Ramai Gharkul is poor, and faced lot of implementation hurdles with respect to land. More than 45% of SCs are urbanized and no such focus by government in urban housing, so Ramai Gharkul Scheme (Urban), allocation should be doubled. Yashwantrao Chavhan Vasahat Yojna implementation for VJ (A) and NT(B) is so pathetic and almost no allocations in the economic development corporations in Maharashtra.

Schemes for VJ (A) and NT(B)

The estimated population for VJ (A) and NT (B) as per commissions is around 61.50 lakhs, which is around 5.5% of total population. As per commissions reports, the situation of VJ(A) and NT(B) are similar or in some cases worse than Dalits and Adivasis. To bridge the socio-economic gap of

Dalits & Adivasis and others, budgetary allocation is done in proportion to their population, similar programs should be formulated for VJ (A) and NT(B).

**Priyadarshi Telang
Dalit Adivasi Adhikar Andolan**

3. Housing: Looking Beyond Budgetary Allocation

Housing has been an activity largely associated with private sectors. The institutions that were established for creation of housing could not keep pace with the housing needs both in rural and urban areas. Farm distress, liberalization and thrust for urbanization led to multiple deformities as far as housing sector is concerned. Dependence on markets destroyed construction of housing at different levels. It begins with who will construct housing answer being private sector. The resultant to this situation was the onset of lethargy in the governmental housing construction agencies and especially so for the economically weaker sections. Over the years budgets for the same have been gradually and substantially reduced.

Ones creation of housing was linked to markets it automatically became homologized-the type of houses that were being constructed were of similar typology with complete disregard for ground realities. It destroyed - habitats, workspaces, community culture and the entire economy of a household. Having said that housing is not a homogenized commodity as needs and uses differ with the class occupying it. Since markets disregarded ground realities it constructed unsustainable houses and at best an asset and that to a premium asset that could be traded. The unsustainability of these houses constructed by the market now were benefiting a different class. Over the years deficit of housing for economically weaker sections have reached gigantic proportions.

Since 2006 housing budgets under JNNURM have increased budgetary allocation for hou

sing under it BSUP component yet again completely disregarding ground realities. Same is probably true for IHSDP programs for small and middle towns and Indra Aawas Yojana for rural sector. For BSUP and IHSDP amenities like toilets, electricity and potable water were linked to housing with a eligibility criteria that differed based on other entitlement documents. In the case of Nanded gunthewari plots were denied basic amenities on the pretext that they were unplanned and these amenities could not be constructed in unplanned layouts. However, when the community resisted to a planned layout as that would mean losing of some of their land the same amenities could be provided when linked with redevelopment of houses.

When sector like housing are linked with markets it brings in finances from different sources that are many a times difficult to track. Also, the earnings of government agencies through the real estate development is shown un-comprehensive budget heads. Therefore, analysis of budgetary allocation for a particular scheme or a program may not yield a complete and correct picture. In the given circumstances we can at best propose some policy recommendations.

For the current fiscal year Rs. 1,381.951 crore were allocated under the 'Housing for All' scheme out of which 0.444% were spent on housing, remaining 99.556% went unspent. Though, the Maharashtra government has an ambitious plan of constructing 1.9 million housing so as to curb housing shortage in Maharashtra, in reality only 23,000 houses have been constructed till date as per

the latest report by the Ministry of Housing and Urban Affairs. These 23,000 houses are in fact houses constructed under the old housing schemes like RAY, CLSS etc but now have included under the current 'Housing for All' scheme.

Housing for All' or the 'Pradhan Mantri Awas Yojana is more or less formulated on the same lines as were previous housing schemes were made. Hence, it contains the same loopholes. Our analysis of the 'Housing for All' suggest that a large chunk of population that is either homeless or not living in dignified housing or slums will not be able to get the benefits of this scheme. Two of the four provisions (Credit Linked Subsidy and Affordable Housing in Partnership) of 'Housing for All' scheme is basically modeled to facilitate in purchasing of affordable housing. As per the available data, alone in Mumbai there are around 20 lakh families having an annual income less than Rs. 1lac. Under the prevalent rates, no housing under any affordable housing segment can be availed to a family belonging to this income level. The third provision of PMAY is 'in-situ slum rehabilitation' based on the 'cut-off-date' model which means that some of the member of a slum will be held ineligible hence not getting the benefit of the scheme. Lastly the 'Subsidy for beneficiary-led individual house construction/enhancement', which is available to only those people who owns a piece of land. The last provision is at least not for slum dwellers who never own a piece of land.

As stated above at different instances, the existing approach to address the housing problem will not work. There is a need for overhauling the housing schemes and policies

so as to ensure that poorest of the poor have a protection of minimum and a dignified housing.

Conclusion and recommendations:

The latest report³ by the UN Special Rapporteur on Adequate Housing recommends Indian government to formulate a law in order to address the housing problem:

“However, the Special Rapporteur is concerned that short-term schemes will not be sufficient to address the housing situation of those who are most disenfranchised and discriminated against with respect to housing. As a next step, and in keeping with the political commitments made under the New Urban Agenda,⁵⁵ India needs an overarching, visionary and coherent piece of legislation based on human rights. A national housing law that aims to address growing inequalities and offers a long-term road map is essential. In addition, the economy of India is and will continue expanding, which suggests that it will continue to have the necessary resources to implement the right to adequate housing across the country.”

India has recognized and ratified housing as a basic human right in the Universal Declaration of Human Rights, 1948. But in the paucity of a law, the housing rights of the most marginalized section of the society living in informal settlements or slums have violated numerous times across India. A law will definitely protect the right to housing but should be formulated after consultation with all the stakeholders from the representatives of most marginalized section to urban planners, academicians and so on.

Some more recommendations –

1. An agency like the government can put together a committee to track various sources from where housing is financed. Bring the information in public domain.
2. Calculate the housing deficit. Ensure housing universality to all its citizens irrespective of gender, class, religious affiliations.
3. Map diversity of housing typologies and requirements.
4. Ensure that the adequacy of housing is maintained.
5. All housing should be constructed by government agencies to eliminating real estate developers engaging in speculative price rise.
6. There is a linkage between housing and livelihood, any housing san this relationship is merely an asset. Hence, housing solutions should be made keeping this relationship in mind.

Bilal Khan

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4. Sources of Additional Revenue for the People's Budget

Where will revenue resources come from?

Maharashtra's overall collection of revenues (2016-17), despite being the second richest state, is quite low at only Rs. 18153 per capita in sharp contrast to Tamil Nadu which reaps in Rs. 21320 per capita for the same year. Even with regards to tax collections Maharashtra's performance is poor bringing in only Rs. 14104 per capita in comparison with Tamil Nadu's Rs 16361 per capita. **If Maharashtra is able to match Tamil Nadu in overall revenue collection then it could bring in additional Rs. 38,386 crores.**

Ways of Raising Additional Revenue: Some Concrete Proposals

1. Increase Tax on Alcohol

One of the key areas of tax collection which Maharashtra could improve is on its taxation of alcohol, both state excise and VAT. Presently Maharashtra generates total tax revenues from alcohol worth Rs. 1617 per capita. If it generates alcohol revenues as per the rate in Tamil Nadu which reaps in Rs. 4036 per capita then an **additional Rs. 29,316 crores could be added** to the state exchequer.

2. Improve Revenue Collection from Mining

Gujarat and Maharashtra collect the same level of revenues on a per capita basis but Gujarat does not have alcohol revenues so where does it generate revenues to equal Maharashtra. In Gujarat revenues from non-ferrous mining (non-Tax) bring in Rs. 1579 per capita in contrast to Maharashtra's only Rs. 306 per capita. If Maharashtra can generate revenues at a similar rate in mining then additional Rs. 15397 crores can be netted.

3. Collect Uncollected Taxes

Maharashtra has also a huge amount of revenues locked in uncollected taxes (mainly VAT). In 2016-17 a total of Rs. 109,000

crores of uncollected taxes have accumulated and each year this increases by Rs 15000 to 16000 crores. **Better tax administration can help rein in another Rs. 15000 – 20000 crores each year.**

All the above suggestions could help generate additional resources of about Rs. 60000 crores, sufficient to fill the deficit gaps of social sectors that we are concerned about.

4. Maharashtra's share in central tax pool

The state of Maharashtra is entitled to 5.521% share in the net tax proceeds of the Government of India. According to the Union Budget 2018-19, Maharashtra will receive Rs. 43,514.59 crore from the Central Tax Pool. Tax collection is unsatisfactory at the Union Government level. Official statements in the Union Budget 2018-19 clearly show that till the year 2016-17, the central government has not collected Rs. 872,693 crore of levied taxes. If the centre collects these uncollected taxes, more resources could go to all states. The Government of Maharashtra must pursue this matter with the Union Government. **Maharashtra will receive additional Rs. 48,181.40 crore** on account of its 5.521% share in the Central Tax Pool.

In addition to the above, new resources could be generated through innovative taxation measures as below:

A) Health Tax/ Cess

There is potential of collection of additional tax revenues through measures directed at generating earmarked funds for specific sectors like a health tax/cess on commodities like alcohol, tobacco, vehicles or even a general health tax similar to profession tax from employers, employees, businesses etc.

tax from employers, employees, businesses etc.

B) Graded Professional Tax

Profession tax which is a maximum of Rs. 2500 per year could be graded based on income slabs and increased for higher incomes. For education too, an earmarked tax could be levied.

C) Environment Cess

An environment Cess could be introduced for businesses, industry, big farming and this could be earmarked for sectors like drinking water, land and soil conservation, forests etc.

D) Rationalize Property Tax

Property taxes are too low and have a huge potential to generate revenues for local governments and these could help support public housing projects and other local infrastructure improvements. The property tax should be levied based on market price of the property, and not based on ratable value as is the current practice. This additional revenue for local governments will ensure financial autonomy to them and reduce burden on the state treasury. Also, from increased FSIs given to builders a proportion could be set aside for social sector budgets.

E) Special Taxes/Levies on Agro-business

Special taxes/levies could be imposed on agro-business to help generate resources to support increasing farm produce MSPs and subsidies for small farmers.

F) Transparency in Tax Information

We do not have information on revenues forgone by the state government so we demand transparency about that information so that we have information about where the hidden subsidies are going.

The above measures suggested would help raise adequate revenues to bridge the resource gap we see today plaguing the social sectors. Increased revenues should be specifically earmarked for various social services to strengthen them and make them available to all within a framework of universal access so that no one is left behind.

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