

RAHUL PROMISES TO WIPE OUT POVERTY WITH NYAY

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Under NYAY, the income threshold has been fixed at Rs. 12,000 a month and the Congress has promised that their government will pay the difference. According to Congress leaders, data on national income distribution indicates that even the poorest families earn Rs. 6,000 a month.

To cost Rs. 3.6 lakh cr

The cost to the exchequer from the proposed scheme is expected to be around Rs. 3.6 lakh crore going by the estimate of five crore families.

"If a family earns Rs. 6000 per month, the remaining Rs. 6,000 will be credited to their account. Once the family reaches the threshold of Rs. 12,000, it [payment] will stop," explained Mr. Gandhi. He added that the scheme will be implemented in phases after a pilot project.

Asked about possible implication on fiscal management, Mr. Gandhi said, "The entire calculations have been done. The fiscal repercussions of this have been analysed. This money is perfectly available. This scheme is perfectly do-able".

The Congress chief also said the party has been in touch with leading economists who agree on the scheme's feasibility.

"If Narendra Modi can give money to the rich people in the country, then Congress can give the poor this money," he said, accusing the Prime Minister of "creating two Indias by favouring the rich".

'Remonetising economy'

Former Finance Minister P. Chidambaram claimed that the scheme can be implemented without being fiscally imprudent. "Under NYAY, the poorest 20% of families will get a uniform amount of Rs. 72,000 year. Every family in the poorest 20% will be given an income support of Rs. 6000 a month. We have consulted economists, this is doable, and we will adhere to fiscal discipline," he tweeted.

"This is not note bandi or demonetisation but 'remonetising' the economy or *note wapsi* that will have a tremendous impact on revenue," said Praveen Chakravarty, who heads the Congress' Data Analytics wing that collected the numbers on household incomes.

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