

347 Stat. Res. re. disapproval of Cess & other Taxes on Minerals (Validation) Ordinance; and (vii) Need to build up rural telecom network in Sunderbans area, West Bengal

MARCH 31, 1992

Cess & other Taxes on Minerals (Validation) Bill 348

moved by Shri Balram Singh Yadav. Shri Sriballav Panigrahi to speak.

[English]

SHRI SANAT KUMAR MANDAL (Joynagar): Sir, the Ministry of Communications announced some time back that telephone facility will be provided in all Gram Panchayats during the Eighth Plan. The target envisioned was to give telephone connections to 100 village panchayats per day. Sunderbans in West Bengal is renowned for its unique flora and fauna and the Tiger Project. But not a single telephone has so far been installed in any of the panchayats in this area which is riverine and marshy during monsoons and becomes somewhat inaccessible. This establishes the urgency of installing telephones in that area even as a part of the rural development programme. I understand that the Central Electronics Ltd. has supplied 11,000 power systems to the DOT for use in the remote rural areas and in the current years, 10,000 more systems are slated to be provided. The Solar Photo Voltaic systems are being made use by the DOT to augment the rural telecom network,

I would urge the Central Government to build up a rural telecom network through SPV systems in the Sunderbans area also where the farmers or peasants are not rich enough to have their own telephone connections and make a start by installing telephone connections, in some of the Village Panchayats at least during the next year.

16.19 hrs.

STATUTORY RESOLUTION RE. DISAPPROVAL OF THE CESS AND OTHER TAXES ON MINERALS (VALIDATION) ORDINANCE;
AND
CESS AND OTHER TAXES ON MINERALS (VALIDATION) BILL—CONTD.

[English]

MR. CHAIRMAN : The House will now take up further consideration of the motion

SHRI SRIBALLAV PANIGRAHI (Deogarh): Mr. Chairman, Sir, this Bill, as you know, is before us to replace an Ordinance i.e. Cess and Other Taxes on Minerals (validation) Bill. (Interruptions)

I rise to support this Bill which is intended to replace Cess and other Taxes on Minerals (Validation) Ordinance, 1992.

A lot has been stated in support of this Bill yesterday and the Bill has received support from all sections of the House. I need not to say much about it because your Party has also already lent support to this Bill. There is no other way out.

Sir, large sums have been collected by different mineral-producing States in the form of Cess and taxes on minerals till 4th April, 1991. The validity of some State Acts imposing Cess and taxes on minerals was challenged in different Court including the Supreme Court. Such Court, the Apex Court of the country, struck down the State Acts imposing such Cess and taxes on minerals in April last year. It is just not possible on the part of the States concerned to refund these amounts which have been collected. Prior to the promulgation of the Ordinance, it was held illegal. These so-called illegal amounts could not be refunded. The States are not in a position to do that. The irony of fate is that the States which are minerally very rich or which have abundant natural resources like mines, minerals etc. are also very backward States and poor States. For instance, Madhya Pradesh, Orissa and Bihar are the States which are directly hit by these Court decisions. Of course, West Bengal is also coming indirectly. But these three States are directly hit by these Court decisions. They are not in a position to pay it back. On the other hand also, the end-users are in large numbers. It is also not possible to locate all these people and ensure that these refunds are made to them. There is no other alternative before us. But one or two points strike me. The States which were collecting the

taxes and the Cess have got the impression that land and minerals being the State subject, they have all authority—they are legally empowered—to levy such taxes and Cess till the provisions were struck down. The list of these Acts is quite long. It has been appended to the statement of the Bill itself. It is a long list and about 11 States were engaged in such collection of taxes under different provisions of their own State Acts. In 1958 there is an Act of 1958 Even prior to that there is the 1957 Act. In 1962 and 1982 also some states enacted such laws. In 1957, we have the Mines and Minerals Development Act. So, over the years, these taxes have been collected. How could it be known suddenly saying that these are not legal things?

Secondly, I come to a point that there is lot of discontentment, resentment and anguish among certain States about the royalty etc., that is paid to them by the Central Government on minerals and coal. The royalty on coal has been revised very recently with effect from the 1st August, 1991. And I believe, this process of revision has started with regard to other minerals also. It was last done in the year 1987. Once it is done, it is valid for three years. It has not been revised for the last three years. Now it is in the process of revision. I would request the hon. Minister incharge of Mines to expedite this. While doing so, there is lot which can be said about the present provision, about the procedure and about the quantum. As you know, it is not good that in a federal structure of our type where the Centre and the States do not see eye to eye on such delicate matters. We are all interested in the balanced development of all regions of our country.

As I said, the mineral producing areas are very very backward. You talk of Bihar; you talk of Orissa; you talk of MP. In these States and particularly the minerals producing areas, the basic minimum facilities like road, communication, drinking water, health and education are lacking. And all these areas are full of environmental hazards. They need greater attention. Therefore, we can-

not ignore the necessities of these States to rise resources. Therefore, I would like specifically to know from the hon. Minister, when the discontentment is on the increase, what is he going to do?

Some four or five months back, the Chief Minister of Bihar had given a threat to go on a hunger strike. Sometimes one or two Chief Ministers give threat saying that unless this is done, unless this is revised or unless this amount is given to them by way of grants etc., they will not allow the movement of coal transport and so on. Such irresponsible statements are being made. Centre-State relations is under stress and strains even on account of this. I would like to know whether this matter was agitated before the Sarkaria Commission, and if so, what was the finding of the Sarkaria Commission, and the Government's reaction thereto? Why do some Chief Ministers make some points against the Centre outside? Recently, this was debated in the Orissa Assembly and the State Government has spoken aloud about challenging the validity of this Mineral Development Act in the Supreme Court. It needs a fresh look. The revision of royalty etc., should be reasonable. Some States say that it is arbitrary and unscientific. My point is, it should be done on a rational basis, reasonable and scientific basis. With regard to coal, even after revision of royalty what has happened is states are getting less than what they were getting by way of Cess which has now been struck down. This is a point which should be looked into.

MR. CHAIRMAN: Sri. Pangrahi, please wind up.

SHRI SRIBALLAV PANIGRAHI: Sir, I will wind up. I would like to say that this revision of royalty should be done on a scientific basis and it should be done on a rational basis. There are some serious lapses: some anomalies are there. Therefore, even after the revision, the State Government of Orissa, instead of gaining something more, is getting much less now because of some anomalies in the matter of

upgradation of coal. The upgradation of coal has been done erroneously; it has not been done correctly. Therefore, I wonder, why the Government of Orissa, particularly the Chief Minister who is so vociferous, has remained silent while it was discussed. Anyway there are some serious anomalies which should be corrected.

But on the plea that till three years and unless the agreement period is over, it cannot be reopened, that plea should not be taken in the case of Orissa. They have some grievances against the Government of India. I would like the Mines Minister to give a clarification on this.

MR. CHAIRMAN: Shri Panigrahi, please wind up. You have exhausted your time by six or seven minutes.

SHRI SRIBALLAV PANIGRAHI: It is a very important point. They are having a grievance against the Government of India and they are making allegations, unfounded allegations some times. What is the matter? I would like to know whether the State Government of Orissa is selling projects—charge chrome plants—to very big industrial houses at throw away prices and also leasing out some very rare and costly chrome mines also for paltry amounts by way of royalty. However is it happening? They have given the lease not just to sustain the projects, they have sold much more than their requirement has been leased out to them. I would like to know whether such leases have been referred to the Government of India for its sanction, permission and approval. They cannot lease them without its approval. All these aspects should be looked into before according permission to Government of Orissa to lease them out or to enter into such scandalous—I emphatically say—deals for handing over this sort of charge chrome mines to private industrial houses together with a charge chrome plant. If the concessions would have been allowed earlier including assured supply of power and electricity to the public sector units—the charge

chrome plants—prior to its transfer, it would not have gone sick. My point is that it would never have gone sick. It is a very healthy project; it was made sick and now it is being handed over in a scandalous manner in a mysterious manner. What I am saying is that the reasons are very clear and everybody can read into it as to what has happened. I would request the Government to look into all these aspects before according permission for such transfer.

As I initially stated, there is no controversy about this Bill which is intended to help those Governments—those poor and backward States, mineral producing States—which are rather in a difficult position now because of the court orders. I support this Bill. And at the same time, I would request the hon. Minister, In-charge of Mines, to personally look into the points that I have raised with regard to Orissa and with regard to the transfer of mines by way of lease and also the revision of coal royalty etc. There are many lapses, mistakes committed and as a result the State of Orissa is suffering.

Lastly I would say that there should be some rider also. When the Government of India is paying a heavy sum by way of royalty to State Governments, a substantial portion of that amount should be earmarked for expenditure on road communication, health drinking water, schools, environmental improvement, to maintain ecological balance by undertaking large scale afforestation and allied programmes, etc.

With these words I thank you for giving me the time to participate in the debate on this Bill. I support this Bill.

MR. CHAIRMAN: The Minister may now reply.

SHRI SOBHANADREESWARA RAO VADDE (Vijayawada): Sir, this is a very important Bill and we want to participate on this Bill.

SHRI HARADHAN ROY (Asansol): Sir

my name has been given by my party and please hear me also.

[Translation]

MR. CHAIRMAN: One and a half hours have passed on it and I do not have the authority to allow more than this.

SHRI NITISH KUMAR: None has spoken from Janata Dal.

MR. CHAIRMAN: Now Shri Nitish Kumar will speak.

(Interruptions)

MR. CHAIRMAN: You talk to your chief whip

(Interruptions)

[English]

SHRI SOBHANADREESWARA RAO VADEE: Sir, please protect our rights and reconsider your decision.

[Translation]

SHRI NITISH KUMAR (Barh): Sir, we are discussing the Cess and other Taxes on Minerals (Validation) Bill 1992. The Present Bill has a very limited scope. The Supreme Court has given its verdict that the cess recoveredly some State Governments was not proper and therefore, the same should be refunded. This decision has led to a peculiar situation. Replying to a question raised in Ninth Lok Sabha, the Government had said that a comprehensive Bill would be brought on the subject. I had raised the issue regarding stopping the recovery of cess and decision of Supreme Court nullifying the recovery of cess by the States. Due to this decision Bihar and Bengal have to suffer a great loss. At that time an assurance had been given; but no Bill is being brought according to that assurance, that the State Governments would be given the right to collect the cess again and after that the Cess and other Taxes on Minerals Bill should be

amended. The Bihar Government have written in this connection. As the hon. Member has said that the Orissa Government has spoken about in the legislative assembly challenging the validity of the Act in the Supreme Court. It means that amendment in it, is a must. It is a limited Bill. What the States have recovered, may not be refunded and there is no difference of opinion on it. Above all, a comprehensive Bill should be brought so that the right of recovery of cess should be given to the States.

The rate of royalty has now been revised by the Government. No further revision will be made by the year 1994 as stated by the Government. With this revision, some States have been benefited whereas some of them have to suffer losses. This is evident from the reply given on the floor of the House. Taking the year 1989-90 as base year, figures in respect of amounts received by them States in form of royalty plus cess levied by them prior to revision in the rate of royalty and the amounts to be received by the after revision have been given in the reply. According to this figure, three States will be benefited there from. These States are Andhra Pradesh, Maharashtra and Madhya Pradesh which happen to be the home States of S/Shri Narsimha Rao, Shared Pawar and Arjun Singh respectively. They are the big guns of the Congress Party and it appears that they cared well for their respective States and safeguarded the interests of the States to which they belong to. Andhra Pradesh used to get an amount of about Rs. 55 crores in the form of cess and royalty and with the revision in the rate of royalty, the State will now get an amount of about Rs. 119 crores. So is the case with Maharashtra which will get an amount of about Rs. 96.35 crores against Rs. 7.79 crores which it got previously. Madhya Pradesh from where Shri Arjun Singh comes will get an amount of Rs. 334.83 crores as against Rs. 45.35 crores. Shri Narasimha Rao took care of Andhra Pradesh, Shri Arjun Singh took care of Madhya Pradesh and Shri Shared Pawar took care of Maharashtra. Since Shri Balram Yadav who is Minister of State and comes from Uttar Pradesh will be

[Sh. Nitish Kumar]

benefited slightly less as it will get about Rs. 26.53 crores as against its earlier amount of Rs. 9.98 crores. Since he is the Minister of State and not a Cabinet Minister, his State will get lesser benefit. But Bihar is the State which has to suffer much as there is no representative of the States in the Government. So nothing has been done for it. The Congress Party has no future in Bihar and it has been totally wiped out in the State. That is the reasons why the State is being meted such treatment. Similarly this party has no scope in West Bengal and that is why the State is suffering losses. Nothing has been done for that State. Earlier, Bihar was getting about Rs. 676.32 crore in the form of cess and royalty and as per the latest revision it will get not more than Rs. 541.49 crores. It is evident from the figures that we are going to suffer a loss of about Rs. 35.13 crores. Similarly, West Bengal is also going to suffer loss of about Rs. 13.77 crores. In Orissa also, Janata Dal is in the Government. That State is also going to suffer. Earlier they got Rs. 46.42 crores and now they will get Rs. 45.26 crores. Therefore, it is evident that the present rate of royalty on coal has been fixed on political consideration. The Central Government have provided benefits only to those States where Congress only is in power while opposition ruled States have been made to suffer. All this has been done on political consideration. Shri Panigrahi also stated that royalty should be fixed on scientific and rational ground. We also support this view, the rate of royalty should be decided on the basis of the price and not on the weight. It is an injustice. If this is not rectified, an amendment should be made in the Mines and Mineral Development Act, 1957 and the right of recovering of cess should be restored to the State Governments. This is the only internal source for the mobilization of revenue available to Bihar. We have already suffered losses of about Rs. 350 crores. That is why the Chief Minister of the State had to come here to plead the case of the State. You started giving him lecture about recommendations of Sarkaria Commission.

The situation has deteriorated to the extent that the Government of Bihar is not in a position to pay even the salaries to the Government employees due to paucity of funds. The development works have come to a stand still and there is no mobilization of internal resources. In view of the prevailing situation, the State plan size had to be curtailed gradually. When the situation deteriorated to this extent, the Chief Minister threatened to go on fast in front of the Prime Minister's office if immediate relief was not provided to the State and the rate of royalty was not revised. The Central Government revised the royalty only under that pressure and it is well known to all of us. But the revision was made in the manner, beneficial to only such States which are ruled by the Congress. What did we get? Discriminating attitude was adopted. We have been pushed into a situation in which Bihar and West Bengal both would continue to suffer in mobilizing their internal resources and consequently their plan size would go on shrinking in future. All this has been happening only due to what the Government has done in connection with the revision of royalty. It is very unfortunate that States which are rich in natural resources will remain backward, whereas some States would grow richer and richer. Therefore, I would like to urge upon the Government to bring a comprehensive Bill at the earliest. At least two things should be provided in it. Firstly, there should be provision of in-between revision of royalty before 1994. Secondly, royalty should be fixed on the basis of the price and not on the basis of weight. An amendment should be made in the Act to restore the right of collecting cess to the State Governments. The Government of Bihar have stated that it would fix the rate of cess with the consultation of the Central Government. The State Government do not do it arbitrarily. It can be provided in the Bill that the rate of royalty is to be fixed with consultations of the Central Government. But the State Government should have the right to levy cess because the land belongs to the State and minerals are found there. They are incurring losses whereas country as a whole is getting benefit, but they are deprived of it. Therefore, I

urge upon the Government to bring an amending Bill to the Mines and Minerals Development Act, 1957. As I have already submitted royalty should be fixed immediately. The Bill has been brought just to remove the States from difficulty created due to the judgement given by the Supreme Court. We support it, but it won't do; the previous Government had promised to bring this Bill, that is why it has been brought. We think that the partial attitude adopted by the Central Government is not justified. My submission to Shri Arjun Singh, Shri Sharad Pawar and Shri Narasimha Rao is that they are the leaders of the country and not of a particular State. Therefore, they should take care of the whole country with special consideration to backward areas.

SHRI SOBHANADREESWARA RAO VADDE (Vijayawada): Mr. Chairman, Sir, thank you for giving me the opportunity. I will not delve into the details. In the circumstances this Bill has been brought, we extend our fullest support to the Bill. In this connection, I would like to say that this should not be the end in itself. You should kindly take concrete measures so that the State Governments, especially the States which are having lot of mineral resources, get higher revenue to enable them to take up developmental plans and programmes in a much bigger way. Unfortunately, now these States which have lot of mineral wealth, are again these States who are suffering and are backward. Bihar is having highest mineral wealth. It is one of the poorest and poverty-ridden States. There is lot of unemployment. Similarly, Madhya Pradesh, which stands second in mineral wealth, is also not much developed. Similar is the case with Orissa and other States.

My submission to the hon. Minister is, you kindly come forward with some concrete proposal. It should not be like what Shri Nitish Kumar has just now stated. You must enable the State Governments to get higher income from the increased royalty. My submission to the Government is that at the moment, we are exporting so much iron-ore to Japan. Similarly, there are also manga-

nese and other minerals. My submission to the Government is that instated of exporting in such a way at throwaway prices, why don't you invite joint ventures? In respect of ONGC, the other day the Finance Minister said that to exploit the oil and natural gas resources and instead of natural gas being flared up into the atmosphere, he invited some foreign collaborations. Similarly, let us invite some foreign ventures and collaborations in respect of exploration of mineral resources also which will in turn help in the development of those States. Sir, our experience is that with the latest technology, I think they can be explored at lesser cost which will ultimately show its impact on the end product which will, in turn help our exports also. Mr. Panigrahi has said some point about his State. Similar is the case with several other States also. Even in Andhra Pradesh, it is happening with barites and the other day, Government had to withdraw releasing of licences in the case of granites. My suggestion to the Government is this very rare precious wealth should be utilised in a best manner for the benefit of the society and for the development of the State. It sometimes so happens that the Government and some individuals are having some clandestine deals and very few people are benefited. I do not mean to say that private people should not be benefited. They should be benefited at reasonable cost. It is so happening that they are getting at throw-away prices.

My last point is that Government should take some steps to utilise the mineral cess, a substantial portion of which is collected from a particular area. Sir, betterment of the living conditions of the people of such areas should also be improved. Sir, our experience is that the tribal people of Bihar, MP and Orissa are discontented largely. I need not go into all those things. The benefit of that wealth is not going to the tribal people of those areas. I suggest the Government to take concrete measures for the upliftment of those poor people. With these words, I thank the Chair for giving me an opportunity to speak.

[Translation]

*KUMARI FRIDA TOPNO (Sundargarh):
Mr. Chairman, Sir, I rise to speak a few words on the cess and other taxes on Minerals (Validation) Bill 1992. Sir, we have got a large number of mines in India. In every state we will find some kind of mines or the other. The mineral resources are in abundant in Orissa. We have a huge deposit of coal iron ore, manganese, bauxite, dolomite and lime stone. We have got very fine quality of minerals. The iron ore available in my State are 'A' grade and they are of export quality. The Country is earning a huge amount of revenue by exporting iron ore and bauxite. The MMTC procures iron ore and other minerals for export purposes from Orissa. My predecessor Hon'ble Shri Sribalav Panigrahi has narrated in detail about the actual situation prevailing in my State. The mines are owned either by the State Govt. or Central Govt. or some private owners. A huge amount of money is being spent on the excavation of minerals. Thousands of workers are engaged in the mining industry in Orissa. They are very poor and mostly belong to S.C. & S.T. Shri Panigrahi has narrated their problems I do not wish to repeat those points.

Sir, I come from Sundargarh district of the State of Orissa. We have got coal and iron ore mines where a large number of workers are engaged. There are also some dolomite mines. A large number of workers depend on these mines to earn their livelihood. They have some problems. I would like to draw the attention of this House to their problems. Sir, when the Govt. is collecting a huge amount of revenues from the mines of Orissa, it is the prime duty of the Govt. to provide minimum facilities to the workers. Due to the hard work of the workers the Govt. is able to get a huge amount of cess from the area. But, the workers are facing a number of problems. They do not get proper health care facilities. The entire area is polluted by the mines. So, the workers are suffering from T.B. or some other

diseases. But adequate number of hospitals have not been set up in those areas. Even the E.S. I. hospitals are microscopic in number in the entire state. Due to absence of medicine and proper treatment the workers are facing untimely death. so, the Govt. must do some thing for them.

Sir, the workers are very poor. We do not have schools in every mining belt. So the children of the workers are not able to get proper education. If at all some students get primary or middle school education they are not able to go for higher education. Firstly because of the poverty of their parents and secondly because the colleges are not located nearby. So Govt. should take necessary steps to provide proper education to the children of the workers. Adequate number of schools should be set up in those areas otherwise they will continue to remain backward and illiterate.

Then Sir, I would like to request to the Govt. to pay attention to the development of mining areas. Every year a huge forest area is demanded by mining operation. After the excavation of the mines no body is paying attention to fill up the earth. As per the rules the depleted and denuded forest area should be covered immediately after the mining operation. But it is actually not done. As a result of this the entire area is lying unused and as follow land. As such I request to the Govt. to take up afforestation programme in those mining areas immediately. The ecology of the area should be restored at any cost. Those remote areas should be connected by roads. Steps should be taken to develop those areas in a systematic manner.

Sir, the time at my disposal is very short. So, I cannot discuss some points which I wanted to raise. I thank you very much for giving me the opportunity to speak.

I support the Bill whole heartedly and conclude my speech.

* Translation of the speech originally delivered in Oriya.

MR. CHAIRMAN : Mr. Haradhan Roy, your party has already exceeded the time by 16 minutes. I request you to be brief.

SHRI HARADHAN ROY (Asansol): Sir, it is not my party alone which has exceeded the time limit. Every party has done that.

MR. CHAIRMAN : I request you not to challenge my statement. I am making a statement that your Party has exceeded the time by 16 minutes. I will request you most humbly not to challenge my statement. I am giving you two minutes' time. Please conclude your speech in two minutes.

SHRI HARADHAN ROY (Asansal): Mr. Chairman, Sir, I will speak in Bengali.

CHAIRMAN: Please two minutes only.

SHRI HARADHAN ROY: Sir, how can I finish within two minutes?

CHARIMAN: Your Party has already taken 16 minutes so I could request you to finish within two minute.

[Translation]

SHRI HARADHAN ROY: No, it is not a fact. All the other parties have also taken time. It does not apply to my party alone.

CHAIRMAN: Mr. Haradhan Roy, I would request you not to challenge my statement.

SHRI HAREDHAN ROY: No, Sir, I am not challenging you.

CHAIRMAN: I am making a statement that your party has exceeded sixteen minutes and it is the maximum time taken. I request you not to challenge my statement. Now, I request you most humbly to finish within two minutes.

*SHRI HARADHAN ROY: Sir, I support the Bill because the States rich in mines and minerals need fund for their developmental work. These States have been authorised to realise cess and taxes and enjoying royalty under certain state Acts. These State Acts imposing cesses and other taxes on minerals and mines had been struck down by Supreme Court in different cases. As a result the States are deprived of revenue collected from their mineral resources. Now with the promulgation of an Ordinance by the President, these States would be able to realize the cess and other taxes due to them. But what would happen in future? The question is of future. Now what the Government has done through this Bill is to increase royelty in some cases. But as was pointed out by the previous Speaker Shri Nitish Kumar, royalty has become less in some area. He has stated various figures related to royalty in the States and shown how it has decreased in some States. I do not want to repeat what he has already said. The case of West Bengal Government has been pending before Supreme Court and the next hearing will be held on 6th of April we do not know what would be the verdict of the Court.

Sir, the developmental Programme like Schools, College, Hospitals providing drinking water, roads and communication etc. the responsibility of the State Government. Besides fund is also required for the welfare - development scheme for the people specially the toiling masses. The State Government can not undertake such special developmental programme, if they do not get levies or royalty fully.

We have the colliery in Asansol belt and as a result the ponds and wells in my district Burdhan dry up. Thus it becomes difficult to provide drinking water. So Ranigunj coal field water work scheme has been set up by West Bengal Government. They very name of the Coal field is water work scheme and its function is to provide drinking water to the

* Translation of the speech Originally delivered in Bengali.

[Sh. Haradhan Roy]

whole area particularly the two sub-divisions Asansol and Durgapur. They need atleast Rs. 80 to 85 crores for this purpose. If the State Government does not realise the cesses and other taxes, they can not provide drinking water to the people of this area. The centre is not co-operating with the State with regard to drinking water.

Moreover the villages have been facing difficulty due to colliers as they produce gas fire and subsidence. The people are advised to leave these affected places. The responsibility of the centre is to rehabilitate them, compensate these people. But it is very unfortunate that the centre is not taking any measures in this regard. It is for this reason the West Bengal Government has set up a huge complex at Mangalpur. This industrial and commercial complex measuring 600 acre of land has a Residential Complex as well banking facilities, schools, colleges and hospitals. This requires Rs. 1000 crores.

The State Government can not complete this development scheme without realising cess and royalty. Besides, the pollution in these areas has been increasing alarmingly due to collieries. Environmental condition has been completely ruined in these areas. We have been fighting, agitating against this pollution and environmental problem. We have been urging upon the centre the mine-export and the Mining Department to look into the problem and save the village and cities from pollution.

According to the Expert-Committee, the money required for pollution control in this area is from Rs. 960 crore to Rs. 5600 crore. Again according to the CMPDL, one of the various Government organisation the amount required for pollution control, stabilisation is Rs.900 crores. But till now we have not received a single rupee. After many representation and agitations the centre has agreed to pay Rs. 5 Crore. But how that Rs. 5 crore would be given is still not known.

So our Government and we demand

legislation of a comprehensive Act. The centre must take the responsibility to introduce and pass a comprehensive Bill for this purpose. This will be a statutory Act and the work should be undertaken along with the West Bengal Government.

My submission is that the decision should be taken by consulting the State Government also. If the decision is taken by the centre without taking the State into confidence, the state would be deprived of their due share such consultation with the would create State smooth centre-state relation.

So the centre should come forward with a comprehensive Bill after consulting various political leaders, M.P.s. and taking into confidence the states rich in mineral wealth and mines. The West Bengal Government and I have drawn the attention of the Ministry several times to another fact also regarding the Mines and Minerals Regulation and Development Act. This Act has not been beneficial for the States. So we need a comprehensive Act so that the interest of the States is preserved.

I would like to draw your attention to another important fact. The old Zamindars had leased thousands of acres of land for 999 years. This Government cannot take any action against them. So this Act also needs amendment and the amendment should be done after consulting the State Government. So my submission is very clear. The centre must co-operate with the State, so that they can undertake their welfare & development scheme properly. So the States should get the cess and royalty fully without any difficulty, otherwise separatism would raise its ugly head again and again. Today the whole India is burning. We do not want that the people responsible for contributing mineral wealth to the country should be deprived of their rightful share. These people want to live peacefully. But if there is discrimination and if their grievances are not redressed, then naturally they may question the right to take their mineral resources from their States. So, my submission is the centre should take some concrete

steps to stop dichotomy and discrimination. After consulting the States, the Centre must bring a comprehensive Bill so that the States can realise their cess and royalty fully. Then only we can preserve peace law and order. With these words after supporting the Bill I conclude my speech.

17.00 hrs.

SHRI KAMLA MISHRA MADHUKAR (Motihari): Mr. Chairman, Sir, I support what the hon. Member Shri Nitish Kumar has said. I think that this Bill is not comprehensive

The Government have tried to give a soothing effect to the violent stroke. The Supreme Court had given in regard to the rights of the States. But as you know, 90 per cent of the total coking coal in the country is produced in Bihar, even 40 per cent of the other minerals are also found in Bihar alone. But the rate of royalty fixed recently has been opposed not only by the people and the Government of Bihar, but by all the left parties who even launched an agitation here at the Boat Club. You have brought an incomplete Bill in the House and have neglected one main point. As the hon. Member has stated that the States like Madhya Pradesh, Maharashtra and Uttar Pradesh have been benefited, but Orissa and Bihar have to suffer losses. In such prevailing condition our unanimous demand is that royalty should be fixed on the basis of price so that the development projects of Bihar can be implemented. Due to the paucity of funds, it has become difficult to complete the development projects in Bihar. Despite Bihar being rich in natural resources, if it is given a step-motherly treatment, then it would not develop. However, the Government have made an attempt to complete an incomplete task. My submission to the Government is that they should bring a comprehensive Bill which can help the States having mineral wealth to develop by means of the money they earn through these minerals. There is no party politics involved in it, left parties and even the Chief Minister have made a similar demand; in spite of that the Government

have not been bothering to make it a policy. The Central Government intend to prepare development plans and increase royalty only for Congress ruled States. It is totally unjustified and biased attitude. I oppose it and demand to give the right to the States to fix royalty on the basis of price so that the States may develop. At the same time a comprehensive Bill should be brought so that measures can be taken to provide facilities and remunerative prices in the States which are backward and have abundant natural wealth. It would be a matter of joy if Bill in this regard is introduced.

THE MINISTER OF STATE OF THE MINISTRY OF MINES (SHRI BALRAM SINGH YADAV): Mr. Chairman, Sir, I would like to thank all those Members who have offered their views on this Bill. I think they have unanimously supported this Bill, though it is different that they have made some suggestions also. These suggestions are very important and valuable and the Government will consider them.

In this regard, I would like to submit that the State Governments which had imposed cess and collected the same according to their own laws were putting pressure to immediately implement the proposed law so that the funds collected under these laws, which have been nullified by the High Court and the Supreme Court can be validated. In view of the urgency of the matter, the Madhya Pradesh Government and the Orissa Government had specially requested the Centre to promulgate an Ordinance. Near about 40 petitions were filed in Jabalpur High Court and it was requested to direct the State Government to refund the cess that had been collected under M.P. Cess Act, 1981 and M.P. Taxation Act, 1982.

Similar was the position in Orissa also, The Chief Minister of Orissa was requesting and has also written to the Government for promulgating an Ordinance for making those taxes and cess validated which were imposed on minerals by the Orissa Government but nullified by the Supreme Court in

M/s. Orissa Cement Ltd. Vs the Government of Orissa case.

The hon. Members questioned the necessity of bringing forward this Ordinance. It was necessary because both the Houses of the Parliament were not in session and it was necessary to give legal sanction to the cess collected till 4.4.1991 by the State Governments under their own laws. That is why Cess and other Taxes on Minerals (Validation) Ordinance, 1992 (No. 7 of 1992) was promulgated by the Hon. President on 15th of February, 1992.

In these circumstances, the proposed Private member's Resolution for the disapproval of this Ordinance by the House is not justified. Therefore, I would request the hon. Members that they should not put pressure on this Resolution.

Besides, some hon. Members have proposed some amendments. If these proposals are accepted this Ordinance will become time barred. The purpose of the Ordinance and this Bill brought in its place is to benefit the State Governments.

17.11 hrs.

[SHRI SHARAD DIGHE *in the Chair*]

In the States, which are rich in minerals, cess imposed on these minerals form a major part of their finance. The State Governments will come under heavy financial pressure, if they are required to refund the cess collected by them earlier and besides this, this will also stall their development works. The State Governments will suffer irreparable losses, if they pay back these amounts. But, if this amount is not refunded, the mining lease holders are not going to suffer any heavy loss, because these cesses have reached the actual consumers through them only. If the decision of the court is implemented in true sense, the benefit of refunding these cesses should actually go to

the consumers, who are finally burdened with these cesses. It will be very difficult, though not impossible, to ensure that the collected cesses reach the actual consumers, because their number is very large and most of them will not be available immediately.

In view of this, I would like to submit that neither our Government is going to benefit nor lose anything from this. Our sole intention is only to help the State Governments, who are actually facing this problem. All the Members had supported this Resolution and had made suggestions also. In this regard, Shri Nitish Kumar told me that the Hon. Prime Minister has done this for his personal gains. I would like to tell him that Andhra Pradesh is going to incur a loss of near about Rs. 15,47,000. He said that Andhra Pradesh is going to benefit from it. but the State is going to incur loss.

SHRINITISH KUMAR: The answer was given by you only. I said on that basis. How do you say this.

SHRIBALRAM SINGH YADAV: I would like to submit in this regard that the revision of royalty has already been done.

SHRI NITISH KUMAR: The hon. Minister should listen to me for a minute. In reply to Starred Question No. 670 of 3rd December, 1991, the Government stated that:-

[*English*]

"State-wise royalty and cesses collected and paid by Coal India Limited and Singareni Collieries Company Limited during 1989-90 and approximate royalty which would have accrued to the States on the basis of revised rates of royalty on coal which have been made effective from 1.8.1991 is given below..."

[*Translation*]

It was said that they got royalty in 1989-90 on the basis of the rates fixed. What benefit they will get in the coming year.

These figures were provided by the Government and not by us.

SHRI BALRAM SINGH YADAV: This question was related to the Department of Coal and not to our Department.

SHRI NITISH KUMAR. I am talking of coal only. Will this Act not be applicable to all minerals including coal? (Interruptions)

SHRI BALRAM SINGH YADAV: Some of the hon. Members said that the State Governments should be authorised to impose tax and make revision in it. I would like to submit that the concept behind this MMRD Act is that there should be planned and uniform development of mines and minerals in the country. So far as cess is concerned, it was seen that one State imposed a cess of Rs. 100 per tonne on a particular mineral while another State imposed of Rs. 400 and some other Rs. 900 on the same mineral. Sir, this is not justified for the whole country. We export a lot of items. So we have to keep a watch on the international market. Therefore, every effort is being made to prescribe a uniform rate.

Sir, the suggestions made by the hon. Members are right. The State Governments have welcomed the royalty revision. I received phone calls from the State Ministers and they said that a good thing has been done. No State Government has opposed this step, particularly.

SHRI SRIKANTA JENA (Cuttack): Have all the states congratulated you about the royalty on coal?

SHRI BALRAM SINGH YADAV: I have said that no State has particularly opposed the step. Almost all the Governments have welcomed it.

SHRI NITISH KUMAR: The Bihar Government has opposed it and it has requested that amendments should be made in the Mines and Minerals Act, 1957 and they should again be authorised to collect cess. The Bihar Government has also said that the rate

of cess should be fixed in consultation with the States. It is not correct to say that the State Governments impose cess at their own sweet will. The Bihar Government did not do so. They said that they would impose cess in consultation with the Centre. This was a scientific approach. In this way, the Bihar Government has opposed this move. (Interruptions)

SHRI BALRAM SINGH YADAV: I have received a phone call from your Chief Minister that everyone had welcomed it. Now you are saying such things here. Nobody has opposed the move and it has been welcomed by all

[English]

SHRI SRIKANTA JENA (Cuttack): Mr. Chairman, Sir, not only the Orissa Government but also the Orissa Assembly had unanimously recommended the Government of India about the faulty enhancement of this royalty revision. The Government of Orissa is going to be sufferer.

[Translation]

SHRI BALRAM SINGH YADAV: I do not have any such information or knowledge of any such resolution.

[English]

MR. CHAIRMAN (SHRI SHARAD DIGHE) That is his information.

(Interruptions)

SHRI SRIBALLAV PANIGRAHI (Deograh): There are anomalies also and here is also an anomaly. He is dealing with other minerals, minerals other than coal. The points which the hon. Members are raising relate to coal. I think he has to distinguish between these things while answering.

[Translation]

SHRI BALRAM SINGH YADAV: I have already stated that coal is a different subject.

[English]

SHRI SRIBALLAV PANIGRAHI: On coal issue also the Chief Minister is quite happy here, at the first instance, when the revision was announced. Later on going to the States, after a lot of time, making calculations etc., they have come forward with some correspondence. They have protested. They have written. In some Assemblies, it has been debated. Some resolutions have been passed and all that. The necessity for revision of royalty...

MR. CHAIRMAN: No discussion on that. What is this going on? Let the Minister reply.

(Interruptions)

SHRI SRIBALLAV PANIGRAHI: I wanted some clarification.

MR. CHAIRMAN: That is his version. Please listen to him.

(Interruptions)

MR. CHAIRMAN: That is all right. This is the version of the hon. Minister. Let him conclude. No discussion on that.

SHRI SRIBALLAV PANIGRAHI: This irresponsible statement...

MR. CHAIRMAN: Nothing will go on record.

[Translation]

SHRI BALRAM SINGH YADAV: Respected Sir, Royalty of coal is a different subject. Minister of Coal alone can provide information in this regard. I can not provide any information in this regard.

SHRI NITISH KUMAR (Barh): Mr. Chairman Sir, I am on a point of order. I need your protection. Who is going to make an act? We are telling about the revision of Royalty of Coal and he is saying that the

Mines and Minerals Act, 1957 should be amended. The Government of Bihar, Orissa and Bengal have put up a demand that an Act should be formulated in this regard. Who would enact the Act? Who would pilot this Act? In the Ninth Lok Sabha, the Energy Minister Shri Kalyan Singh Kalvi had said that Mines and Minerals department would enact the Act, I have quoted him in the beginning of my statement. His department is an administrative department so it should bring the Act, and the Act would be enacted as per the advice of his department. The Government cannot escape this question by shirking the responsibilities on the Coal Deptt.

[English]

MR. CHAIRMAN: There is no point of order. The Minister may clarify. That is all.

SHRI SOMNATH CHATTERJEE (Bolpur): He says that he does not know anything. The largest income is from the coal. (Interruptions).

[Translation]

SHRI BALRAM SINGH YADAV: Respected Sir, M.M.R.D. Act is self-contained. There is no need of any change in it. I have noted down the sentiments and suggestions of the members. I would see if any thing can be done in this regard.

[English]

SHRI SRIKANTA JENA: If a State Government like Orissa is losing Rs. 100 crores on coal royalty, it is because of the Government of India's attitude towards the State. It is losing heavily on coal.

SHRI SRIBALLAV PANIGRAHI: The Government of India should come out with an assurance that they will look into this. That is the discontentment.

MR. CHAIRMAN: Let him complete his reply.

SHRI NITISH KUMAR (Barh): The officials have not briefed him properly. Bihar is having the largest coal stock and even then, it is facing a number of problems. Eastern Regions of Bihar, Bengal and Orissa are the worst affected. We are projecting the problems of these States only. Rate of Royalty may be low in case of Madhya Pradesh, Andhra Pradesh and Maharashtra but at least they are getting it as these are the States of Shri Arjun Singh, Shri Narsimha Rao and Shri Sharad Pawar respectively. But these three States i.e. Bihar, Bengal and Orissa, have been denied this fund. We are just presenting the situation. The hon. Minister should be come prepared for the discussion on the problems related to coal.

SHRI ARJUN SINGH: If you come to discuss the problems with us we would reveal the real cause... (Interruptions)

SHRI BALRAM SINGH YADAV: I welcome the suggestions made by hon. members and I would try to fulfil them to the extent possible under the periphery of law. I propose that this Bill be passed.

SHRI GIRDHARI LAL BHARGAVA (Jaipur): Hon. Chairman, Sir, I had proposed to revoke the ordinance because this ordinance had been promulgated on the 14th Feb 1992 under the signatures of the Hon. President. You would remember that the session of Lok Sabha was to convene on the 24th Feb 1992 so. There was no need to promulgate the ordinance just before ten days. If you would have straightway brought the Bill the botheration of the Hon. President in placing his signatures on the ordinance would have been save. By issuing frequent ordinances, the Government is decreasing the importance of ordinances... (Interruptions) I have not said anything objectionable... (Interruptions) This ordinance has been promulgated in a haste. That is why I have suggested for its revocation. You had brought this Bill with a good intention and proposed to authorise the State Government to collect the Royalty. But some High

Courts and then the Supreme Court pronounced their verdict that State Governments have no right to collect the Royalty. Now it has created problems for the States like Bihar, Orissa and Madhya Pradesh in respect of fund already levied (Interruptions) This problem has posed the Government to introduce this Bill. The states like Madhya Pradesh, Orissa and Andhra Pradesh have again imposed cess. The States put up a demand to increase the rates of royalty to compensate the cess and to make a uniformity in various states in the matter of other duties in addition to royalty. I hail from desert area like Rajasthan, The Chief Minister of Rajasthan has written a letter to you requesting revision in the rates of mineral Royalty. The State Government has requested the Centre that it should be authorised to collect the Royalty in respect of Copper limestone and granite. But the Central Government neither considered it nor gave any response in this regard. The study team constituted by you in 1989 had recommended the revision of Royalty rates with effect from April 1990. The Government should clarify when it is going to implement the recommendation of that team. On one side you are neither implementing the recommendations of the team nor you are laying emphasis on accelerating the programmes of natural gas in Western areas of Rajasthan and on the other hand the Government is contemplating on taking the charge of small scale mineral industry of Rajasthan like limestone, Granite, sand-stone, and marble by bringing it into the category of Minerals. Instead of increasing rates of royalty of the minerals which are under the control of the State Government till now, the Central Government by snatching away some of products like marble, limestone, granite sand stone etc. and is taking away in its own control. In these circumstances what will be the fate of our State Government. This step would have an adverse effect on the people who have been given assurance by the State Government to get these mines on lease. In nutshell, I would like to submit that the Government should revised the rates of Royalty from time to time. As a rule, the rates of Royalty on minerals should invariably be revised after

every four years. Will the Government state as to when these rates been revised? Eight or nine years have passed since the rates had been revised. As regard the Central taxes like income tax, excise duty or custom duty the Central Government makes revision every year, but it does not pay attention to the provision of 20% revision of royalty on minerals. I have proposed to revoke the Ordinance because it should not have been promulgated on the 14 Feb. for only 10 days because the Parliament session was to be commenced from the 24th Feb. 1992. I would withdraw my amendment only on the assurance of the Central Government that it would do no injustice to the State Government and would also tell the exact time by when the Government would revise the rates of royalty.

SHRI BALRAM SINGH YADAV: As the hon. Member has said that the Central Government is taking over the charge of minerals like Granite, lime-stone and sand-stone, I would like to state that there is no such proposal under the consideration of the Government. The hon. Member should have no confusion in his mind in this regard. There is no such proposal under the consideration of the Government to include these items in our schedule. As far as Royalty is concerned.....

SHRI SRIKANT JENA: What about coal?

SHRI BALRAM SINGH YADAV: This question is not concerned with it, I can not provide any information in this regard.

SHRI GIRDHARI LAL BHARGAVA: Mr. Chairman, Sir, in response to a question asked by Shri Ramprasad Aggarwal the hon. Minister has replied that the proposal of revision of rates of Royalty in Rajasthan is under the consideration of the Government.

SHRI BALRAM SINGH YADAV: Sir, when the rates of royalty were revised on 17th Feb. 1992 on the recommendations all the State Governments after due consideration on these recommendations.

[English]

MR. CHAIRMAN: Are you withdrawing your statutory Resolution?

[Translation]

SHRI GIRDHARI LAL BHARGAVA: If this statement of the Minister is correct and the amendment has been made in the law, I would withdraw my statutory Resolution, by leave of the House.

SHRI BALRAM SINGH YADAV: Hon. Chairman Sir, I have already stated that the royalty has already been revised. Therefore, I would request you that you should not emphasise on your resolution.

[English]

MR CHAIRMAN: Has the hon. Member leave of the house to withdraw his Statutory Resolution?

SEVERAL HON. MEMBERS: Yes.

The Statutory Resolution was, by leave, withdrawn.

MR. CHAIRMAN: There is an amendment to the Motion for consideration. Mr. G.L. Bhargava, are you withdrawing your amendment?

[Translation]

SHRI GIRDHARI LAL BHARGAVA: Mr. Chairman Sir, with the permission of the House and by leave, and keeping in view of the assurance given by the hon. Minister I withdraw my resolution and my amendment.

[English]

MR. CHAIRMAN: Has the hon. Member Member leave of the House to withdraw his amendment?

SEVERAL HON. Members: Yes.

Amendment No. 2 was, by leave, withdrawn.

MR. CHAIRMAN: The question is:

"That the Bill to validate the imposition and collection of cesses and certain other taxes on minerals under certain State laws, be taken into consideration."

The motion was adopted.

MR. CHAIRMAN: The House will now take up clause-by-clause consideration of the Bill.

The question is:

That clauses 2 and 3 stand part of the Bill."

The motion was adopted.

Clauses 2 and 3 were added to the Bill.

MR. CHAIRMAN: The question is "that Schedule stand part of the Bill"

The Motion was adopted

Clause 1, the Enacting Formula and the long Title were added to the Bill.

MR. CHAIRMAN: The question is "That clause 1, the Enacting formula and the long Title stand part of the Bill" The motion was adopted

Clause 1, the Enacting Formula and the long title were added to the Bill.

MR. CHAIRMAN: The Minister may move "That the Bill be passed".

[Translation]

SHRI BALRAM SINGH YADAV: Sir, I beg to move "that the Bill be passed."

[English]

MR. CHAIRMAN: Motion moved:

"That the Bill be passed".

SHRI LOKANATH CHOUDHURY:

Before the Bill is passed, I may say that we have raised certain points during discussion. We need clarifications from the hon. Minister.

First is, we raised the question that the royalty should be fixed not on the quantity but on the price. The second point we raised is about the loss which the States are suffering, especially Orissa regarding coal royalty.

The third question that we have suggested is that a comprehensive law should be brought forward so that the States will be able to collect the cess and all legal restrictions or obstructions should be removed.

I would like to know what the hon. Minister has to say on all these points.

SHRI SRIKANTA JENA: The Minister should clarify about the coal royalty. The agitation is going on not only in Orissa but in Bihar and Bengal also. The way you have fixed the royalty on coal is totally unsuitable and Orissa Government is going to lose nearly Rs. 50 crores per annum.

Orissa Assembly has unanimously recommended that the Government of India's fixation of royalty is faulty. It should be reviewed.

The Government of India should immediately reconsider this because Orissa Government does not have any resources excepting royalty. They depend on that. Let the Hon. Minister call a meeting of the Chief Ministers of these three States of Orissa, Bihar and West Bengal and decide. The hon. Ministers should give a definite assurance. I am sure the hon. Minister will respond to this and immediately call a meeting of these three States.

[Translation]

SHRI NITISH KUMAR: I would like to request the hon. Minister to clarify whether, as requested by the Government of Bihar, the Government is going to bring an amend-

[Sh. Nitish Kumar]

ment to the Mines and Minerals Development Act, 1957, so that the right to collect cess could be restored to the State Governments. The royalty rate decided by the Centre is quite unscientific. So contrary to the procedure in vogue of fixing royalty on the basis of quantity of minerals, will it be changed to advalorem basis i.e. on the value of minerals. I request the hon Minister to clarify the position on these two points.

[English]

SHRI SRIBALLAV PANIGRAHI (Deogarh): This Bill has a very very limited purpose, i.e., only to revalidate the cess collected. That need not be refunded and that has to be revalidated.

When the hon. Members have sought some clarifications on some extraneous points, I have also raised a point which I would insist upon to be clarified by the hon. Minister i.e., with regard to the handing over of certain ^{at least one} coal mine to a private industrial house by Orissa Government at a throw away price without prior approval of the Government of India. I would request this point to be clarified.

Another ^{change come} ~~one~~ coal plant was also sold at throw away price. ^

SHRI SRIKANTA JENA: Mr. Panigrahi, don't dilute this coal issue.

SHRI SRIBALLAV PANIGRAHI: Some Chief Ministers, like the Chief Minister of Orissa, are capable of running with the hare and hunting with the hound. This is his approach. This is the approach of Shri Srikanta Jena. Why is he raising objection? It is only just to prolong the debate. At the time of passing the Bill, to seek clarification and to make an issue, is an extraneous matter.

[Translation]

SHRI BALRAM SINGH YADAV: The hon. Members have raised two-three points

and one of them is about bringing forward a comprehensive legislation to empower the State Governments to levy cess. The Mines and Minerals Development Act is a comprehensive Act and there is no need to make amendments in it. The question of levying cess on royalty by State Governments was referred to the Supreme Court which had given its verdict in this regard. As such fixing royalty on advalorem basis won't be proper. Because prices are fixed by the market and fixation of royalty on the basis of quantity was decided after much deliberation on the issue. Prices fluctuate every day. Hence fixing royalty on quantity basis was decided after giving due thought to it (Interruptions)

[English]

SHRI SRIKANTA JENA: We are protesting. It is a very serious matter. You are deliberately doing it (Interruptions)

SHRI SRIKANTA JENA (Cuttack): You are creating this kind of a situation whereby you are discriminating against the backward States. We register our protest on this and we are walking out on this issue.

At this state, Shri Srikanta Jena and Some other hon. Members left the House.

(Interruptions)

SHRI LOKANATH CHOUDHURY (Jagatsinghpur): We walk out in protest because he has not considered the case of loss of royalty on coal to the States and also about fixing royalty on the price of the mineral and not on the tonnage.

At this stage, Shri Lokanath Choudhury and some other hon. Members Left the House

[Translation]

SHRI BALRAM SINGH YADAV: I totally disagree with them. It cannot be done on this basis.

I do not agree at all. (Interruptions)

MR. CHAIRMAN: The question is:

*"That the Bill be passed".
The motion was adopted.*

MR. CHAIRMAN: The House will now take up the next item.

[Translation]

SHRIRAMKAPSE (THANE): Mr. Chairman, Sir, I am on a point of order. Shri Ghulam Nabi Azad is present in the House. He informed the House before 2 O'clock that the hon. Minister of External Affairs has submitted his resignation to the hon. Prime Minister. Thereafter, Shri Kumaramangalam informed that as soon as the details are available the House would be apprised of the position. The House will adjourn for the day at 6.00 P.M. after just 15 minutes. Then it will be impossible to get details after the dispersal of the House at 6.00 P.M. Since both the hon. Ministers are now present in the House, through you, I would again like to ask them for details whether the resignation has been accepted or not?

THE MINISTER OF PARLIAMENTARY AFFAIRS (SHRI GHULAM NABI AZAD): Mr. Chairman, Sir, in the afternoon I had informed the House that the hon. Minister of External Affairs has submitted his resignation to the hon. Prime Minister. But the details are not yet available. The opposition demanded the resignation of the hon. Minister of External Affairs. Despite the same, the hon. Minister thought it prudent to resign to prove his honesty and integrity. The hon. Minister submitted his resignation, but it is lying with the hon. Prime Minister. It is not known how much time will it take. It is not for the first time that a decision on the resignation has been delayed. All the hon. Members are very intelligent people and know everything that the resignation of any Minister is to

be forwarded to the hon. President. A fullfledged discussion on the subject is scheduled for tomorrow. So, do not be in a haste because nothing is going to happen during the night. Everything will be done here and results will come tomorrow.

SHRI RAM KAPSE: It is not a question of hurry. We kept waiting upto 5.45 p.m., but no information was made available. Since the issue is very serious, it won't be proper to provide details after discussion is over.

SHRI GHULAM NABI AZAD: It is the prerogative of the hon. Prime Minister to forward the resignation to the hon. President.

SHRI NITISH KUMAR (Borh): Submitting of resignation by the hon. Minister of External Affairs to the hon. Prime Minister is an internal matter, but the announcement of the same by the hon. Minister of Parliamentary Affairs in the House meant that the resignation has also been accepted. There was no need to announce in the House the submitting of resignation to the hon. Prime Minister. Announcement in the House of the resignation means that the same has also been accepted by the hon. Prime Minister. Therefore, the House wants to know whether the resignation has been accepted or not? (Interruptions) Otherwise the notice of Censure Motion given by Shri George Fernandes would also have been discussed in the House.

DR. LAXMINARAYAN PANDEYA (Mandsaur) It seems the resignation has not been forwarded to the hon. President. It is not at all proper.

(Interruptions)

[English]

MR. CHAIRMAN: All right. No discussion on this now. (Interruptions)

MR. CHAIRMAN: This is not the time and occasion to discuss the whole issue. He has given the information that it is not still

accepted and it is the prerogative of the Prime Minister. (Interruptions)

[Translation]

DR. LAXMINARAYAN PANDEYA: The hon. Minister should tell the House as to what the hon. Prime Minister is doing in this regard... (Interruptions)

It is not proper. We are not satisfied with all this. (Interruptions)

[English]

SHRI RAM KAPSE: Let him give the information. We have said that the Prime Minister should come here and clarify it. (Interruptions)

MR. CHAIRMAN: The minister for Parliamentary Affairs has given you the information. Now we go ahead with the next item.

(Interruptions)

SHRI LOKANATH CHOUDHURY (Jagatsinghpur): It is not a question of Prime Minister accepting the resignation. It is the question of the Prime Minister..

MR. CHAIRMAN: There cannot be a discussion on this issue now. We are on the next item.

(Interruptions)

SHRI NIRMAL KANTI CHATTERJEE (Dum Dum): You were very much present though not in that place when this discussion was taking place. You know under which circumstance the Censure Motion under Rule 184 was raised and not pursued, on the basis of the statement that the Minister has submitted his resignation. The understanding given to us was that he has resigned and not merely submitted to. Now if a contrary statement is being made, then the Prime Minister should come and enlighten us. Otherwise, we insist for the Motion under Rule 184 or any other mode of discussion

it. There is no other way for us. ... (Interruptions)

[Translation]

DR. LAXMINARAYAN PANDEYA: Mr. Chairman, Sir, the recent statement of the hon. Minister has further confused the matter. The position is not clear. Now, Announcement of resignation in the House gave an impression that the resignation has been accepted and on this issue we... (Interruptions) ... it is not proper. I along with all the B.J.P. Members stage a walkout from the House on this issue.

At this stage Shri Jaswant Singh and some other hon. Members left the house.

(Interruptions)

[English]

MR. CHAIRMAN: I can understand your point of view

(Interruptions)

SHRI LOKANATH CHOUDHURY: It concerns the interest of the country. We had brought the Censure Motion. It the Minister after committing a mistake resigns from his post, that does not mean that he is censured from his work. It will create a very bad precedent in the country. Therefore, either the Prime Minister should issue the guidelines and say that the Minister is dropped or you... (Interruptions)

THE MINISTER OF PARLIAMENTARY AFFAIRS) (SHRI GHULAM NABI AZAD): I have to make one important announcement. (Interruptions) I have to make an important announcement that a delegation of Members of Parliament will be going to Ayodhya on the 7th of April.

(Interruptions)

SHRIMATI GETTA MUKHERJEE (Panskura): It this House taken for a ride? (Interruptions)

[Translation]

SHRI NITHSH KUMAR (Barh): Mr. Chairman, Sir, the House is being taken for a ride. Does the hon. Minister of Parliamentary Affairs consider the House to be his property? It was announced in the morning. (Interruptions)

[English]

SHRI NIRMAL KANTI CHATTERJEE. Why did you come out with a statement? In the morning an impression was given to us that he has resigned. Now he is coming out with a statement. (Interruptions)

SHRI ANIL BASU (Arambagh): Sir, the All India Radio has already announced it. (Interruptions)

SHRI NIRMAL KANTI CHATTERJEE: Therefore, that Censure Motion be allowed to be pressed for. Since he has given a wrong impression in the morning, now the Prime Minister has to clarify the position. Otherwise, we cannot allow the House to function. (Interruptions)

SHRI GHULAM NABI AZAD: Mr English might be weak. But not that weak. I am not as intelligent as my friends on the other side. But I was hundred per cent sure and everybody will bear me out. I said the Foreign Minister has met the hon. Prime Minister and the Foreign Minister has tendered his resignation. (Interruptions) You may please go on record. (Interruptions) You cannot bulldoze everytime and whenever you want. (Interruptions)

SHRI NIRMAL KANTI CHATTERJEE: Why is it that you did not say it in the morning and what is the occasion for telling this now? (Interruptions)

SHRI GHULAM NABI AZAD: Sir, I request the Chair to go through the record.

[Translation]

SHRI NITHSH KUMAR: Mr. Chairman,

Sir, what was the need to make an announcement to this effect. From the announcement it was clear that the resignation has been submitted. It was a genuine resignation and not a fake one. All this was done just to stall the discussion on the notice of Censure Motion given by Shri George Fernandes.

(Interruptions)

It would not do... Resignation by Shri Devi Lal was not announced in the House. (Interruptions)

[English]

SHRIMATI GEETA MUKHERJEE (PANSKURA): He has said that the Minister has tendered his resignation. It is all right. That is why he should come out with the real facts behind this resignation.

SHRI GHULAM NABI AZAD: Unfortunately that prerogative is with non of you and it is only the Prime Minister... (Interruptions)

17.56 hrs.

DEMAND FOR GRANTS (GENERAL)

1992-93

Ministry of Human Resource Development

[English]

MR. CHAIRMAN: The House will not take up discussion and voting on Demand Nos. 47 to 50 relating to the Ministry of Human Resource Development for which 6 hours have been allotted.

Hon. Members whose cut motions to the Demands for Grants have been circulated, may, if they desire to move their cut motions, send slips to the Table within 15 minutes indicating the serial numbers of the cut motions they would like to move. Those cut motions only will be treated as moved.

A list showing the serial numbers of cut