

>Title: Disapproval of Contingency Fund of India (Amendment) Ordinance, 1997; Disapproval of Contingency Fund of India (Amendment) Ordinance, 1998 (Resolutions-Withdrawn) and The Contingency Fund of India (Amendment) Bill. MR. CHAIRMAN (SHRI P.M. SAYEED): Now, the House will take up item nos. 18A, 18B and 19 together for discussion. Dr. T. Subbarami Reddy - not present. Shri G.M. Banatwalla, are you moving?

SHRI G.M. BANATWALLA (PONNANI): Yes, Sir. I will move and I will say a few words.

Sir, I beg to move the following resolutions:

"That this House disapproves of the Contingency Fund of India (Amendment) Ordinance, 1997 (No.30 of 1997) promulgated by the President on December 26, 1997."

"That this House disapproves of the Contingency Fund of India (Amendment) Ordinance, 1998 (No.4 of 1998) promulgated by the President on January 24, 1998."

Sir, I will be very brief because I am not opposed to the measure of increasing the corpus of the Contingency Fund. That is not the point. That was needed and that ought to have been done. The only point that I want to make is about the use of the power to issue Ordinances. That Government is not a good Government that resorts to using more and more the power of Ordinances and has legislation through Ordinances. In this case especially when the question of the power and control over finances of this House is concerned, I beg to submit, that issuing an ordinance on such an important thing is against the democratic norms.

Mr. Chairman, Sir, the power of the Parliament to control finance is at the basis of Parliamentary democracy. History stands testimony to the fact that a long struggle has been waged for Parliamentary democracy to acquire this power which is called the financial control, the control over finances.

Here, in our own country, before Independence, in the colonial period, this war or battle was there for parliamentary democracy, to have proper control over finances. The Parliament's control was very much there. You will find that even in the Imperial Legislative Assembly, cut motions were at times not allowed to be moved and at times when they were moved, they were not even put to vote. We, therefore, have a long gradual history into which I do not go of how parliamentary democracy has been strengthened through strengthening of its control over the finances.

Now, here, we have two Ordinances. As a result of the first Ordinance, the corpus of the Contingency Fund was raised from Rs. 50 crore to a sum of Rs. 14,700 crore. Thousands of crores of rupees were added to the corpus of the Contingency Fund and then withdrawn. That is why, we have put Supplementary Demands for Grants over here. This is bypassing the Parliament. Through a second Ordinance, Rs. 17,790 crores were additionally provided for, and a corpus of Rs. 50 crore, through an Ordinance and without consulting the Parliament, was raised up to Rs. 32,490 crore. Now, I know that the Parliament was dissolved on the 4th of December.

MR. CHAIRMAN (SHRI P.M. SAYEED): The hon. Minister was not responding to this. Anyway, please conclude now.

SHRI G.M. BANATWALLA (PONNANI): Therefore, the question of consulting the Parliament did not come. The election expenses had to be provided for. I know this, but then we had the Chandra Shekhar's Government. At that particular time, we had a precedence. The present Finance Minister himself was the Finance Minister at that particular time, and then an emergency had come. Shri Chandra Shekhar's Government had collapsed. But here we were all prepared to cooperate and you yourself came to power -- a commendable thing I say. You yourself came to the Parliament before dissolving the Parliament so that the Vote-on-Account can be passed, so that Supplementary Demands for Grants can be passed and so that no particular problem comes up.

श्री एच.पी. सिंह(आरा): १०० करोड़ जनता की बात है, उसके हिसाब से बजट है। इसलिए माफ किया जाये और समय की बरबादी न की जाये।

श्री जी.एम.बनातवाला (पोन्नानी): यदि आपकी समझ में नहीं आता तो मैं क्या कह सकता हूँ। लेकिन मैं एक इम्पोर्टेंट बात प्रोसीजर की कहना चाहता हूँ कि आइन्दा इस तरह से न हो। एक और मौका था। ... (

Interruptions)

MR. CHAIRMAN: Please conclude.

SHRI YASHWANT SINHA: Shri Banatwalla can be brief. ... (Interruptions)

MR. CHAIRMAN: He is moving a Statutory Resolution.

... (Interruptions)

SHRI G.M. BANATWALLA (PONNANI): There was another occasion. In the year 1972, an Ordinance was promulgated to raise the corpus like that. ... (Interruptions)

MR. CHAIRMAN: Please do not disturb him.

... (Interruptions)

SHRI G.M. BANATWALLA (PONNANI): But it was criticised severely in the House --- the veteran Jyotirmoy Basu criticised it and the veteran Pilloo Modi called it a highway robbery to go on with an Ordinance.

Today, we have to pass it because now you are brandishing a sword in the air. A fait accompli has been given to us. But please do not do that. It detracts from the democratic norms. It is detrimental to parliamentary democracy. It sets the clock back and there is a loss of the important element of parliamentary democracy. When an emergency comes up, the House is there always to cooperate and with the cooperation of the House, the things must be done and not through Ordinances. That is the point that I want to make.

(ends)

MR. CHAIRMAN: Motions moved:

"That this House disapproves of the Contingency Fund of India (Amendment) Ordinance, 1997 (No.30 of 1997) promulgated by the President on December 26, 1997."

"That this House disapproves of the Contingency Fund of India (Amendment) Ordinance, 1998 (No.4 of 1998) promulgated by the President on January 24, 1998."

... (Interruptions)

MR. CHAIRMAN (SHRI P. M. SAYEED) You are a senior Member. You should know that he has moved a Statutory Resolution. I cannot restrict that.

">THE MINISTER OF FINANCE (SHRI YASHWANT SINHA): The hon. Member has raised a very important constitutional point which is very valid in a democratic set up. I am merely trying to regularise, as the hon. House knows, something which was done by the previous Government. They had passed an Ordinance and this Ordinance has to be approved by this House. If it had not been for exceptional circumstances, I would not have come to this House to get this Ordinance passed. The exceptional circumstance was that the 11th Lok Sabha was dissolved on the 4th December. The size of the Contingency Fund was Rs.50 crore. It had to be raised in order to accommodate a very essential Government expenditure, including Defence expenditure and, that is why, it had to be done. Therefore, I agreed to bring this regularisation before this House.

MR. CHAIRMAN : Now I will take up the Statutory Resolutions.

THE MINISTER OF STATE IN THE MINISTRY OF RAILWAYS AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI RAM NAIK): Shri G. M. Banatwalla may like to withdraw his Statutory Resolutions.

SHRI G. M. BANATWALLA (PONNANI): I said that I am opposed to the procedure. I am only making this request that this undemocratic procedure should not be followed. I hope that this will be accepted by the Government and I seek the leave of the House to withdraw my Statutory Resolutions.

MR. CHAIRMAN : Is it the pleasure of the House that the Statutory Resolutions moved by Shri G. M. Banatwalla be withdrawn?

The Resolutions were, by leave, withdrawn.

SHRI RAM NAIK: Thank you, Shri G. M. Banatwalla.

MR. CHAIRMAN : The hon. Minister may kindly move the Bill.

SHRI YASHWANT SINHA: I beg to move:

"That the Bill further to amend the Contingency Fund of India Act, 1950 be taken into consideration."

MR. CHAIRMAN : The question is :

"That the Bill further to amend the Contingency Fund of India Act, 1950 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.

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

MR. CHAIRMAN : The Minister may now move that the Bill be passed.

SHRI YASHWANT SINHA: I beg to move:

"That the Bill be passed."

MR. CHAIRMAN: The question is :

"That the Bill be passed."

The motion was adopted.

MR. CHAIRMAN : Now there is nothing left in today's Agenda. Best of luck for the Finance Minister!

2149 hours

The Lok Sabha then adjourned till Eleven of the Clock on
Friday, March 27, 1998/Chaitra 6, 1920 (Saka).