

SHRI S. M. BHATTAM : I do not know it.

MR. CHAIRMAN : The question is :

“That the Bill be passed.”

The motion was adopted.

APPROPRIATION (VOTE ON ACCOUNT) BILL, 1985*

THE MINISTER OF FINANCE AND COMMERCE AND SUPPLY (SHRI VISHWANATH PRATAP SINGH) : Sir, I beg to move for leave to introduce a Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1985-86.

MR. CHAIRMAN : The question is :

“That leave be granted to introduce a Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year, 1985-86.”

The motion was adopted.

SHRI VISHWANATH PRATAP SINGH : Sir, I introduced† the Bill. Sir, I beg to move† :

“That the Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1985-86, be taken into consideration.”

MR. CHAIRMAN : The question is :

“That the Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1985-86, be taken into consideration.”

The motion was adopted.

SHRI S. M. BHATTAM : Sir, at this stage I may be allowed to speak. I have given in writing.

MR. CHAIRMAN : I have invited your attention to the rule. The rule is rule of the House, and unless the rule is amended, I cannot help. I cannot break the rule.

The House will now take up clause by clause consideration of the Bill. . . .

SHRI H. M. PATEL (Sabarkantha) : Although you draw our attention to the rule. I wish to point out that it has always been the practice of the Speaker to permit any observations on Appropriation Bill, whether there is notice or not. It is a discretion that is exercised, and the discretion is always exercised in favour of giving permission rather than otherwise.

MR. CHAIRMAN : Unless the House agrees, the rule cannot be suspended. Only if the whole House agrees, any rule can be suspended. If the House agrees, I can do it. Anyway, I will allow the hon. Member to seek clarification at the time of Third Reading.

The question is :

“That Clauses 2 to 4 and the Schedule stand part of the Bill.”

The motion was adopted.

Clauses 2 to 4 and the Schedule were added to the Bill.

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

SHRI VISHWANATH PRATAP SINGH : Sir, I beg to move :

“That the Bill be passed.”

MR. CHAIRMAN : Motion moved :

“That the Bill be passed.”

Mr. Bhattam.

SHRI S. M. BHATTAM : I was on the point that the public sector undertakings are being given a very raw deal. I have been particularly referring to the Visakhapatnam Steel Plant. This year a provision of only Rs. 215 crores has been made as against Rs. 650 crores given last year. As against the total estimated cost of about Rs. 8,300 crores, this year only

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†Introduced/moved with the recommendation of the President.

a meagre amount of Rs. 215 crores has been given whereas the undertaking requires at least a thousand crores of rupees for this year. That being so, the project can never be completed within the time schedule given. Is it proper. Can the provision for a public sector undertaking be so severely slashed like this? Will the hon. Minister kindly consider this and make adequate provision for this?

SHRI VAKKOM PURUSHOTHAMAN (Alleppey) : Mr. Chairman, Sir, in the Third Reading of the Bill, he can speak either on the general policy or about the implementation of the Bill. He cannot raise any specific issue in the Third Reading.

MR. CHAIRMAN : He wants to seek some clarification. It is all right.

SHRI S. M. BHATTAM : I particularly invite the attention of the hon. Finance Minister to this and request him to look into this aspect. The period of gestation of public sector undertakings has got to be necessarily reduced so that they can be completed within the stipulated time schedule. Otherwise, there will be cost escalation. Originally, the Visakhapatnam Steel Plant was estimated to cost Rs. 2,839 crores, but now it has gone up to Rs. 8,300 crores. At this rate, we will not be able to complete the project at all. Kindly do consider this and make adequate provision for this. This is my submission.

DR. DATTA SAMANT (Bombay South Central) : In the President's address and also in the Finance Minister's Budget speech the Government has assured that the textile policy concerning all textiles—powerloom and handloom also will be decided by the Government. Already in Bombay, Ahmedabad, Delhi and Kanpur 3 lakh textile workers are out for the last 6 to 7 months. The Government is categorically assuring every time that they are going to announce the textile policy. This is a major important issue. Therefore, I would like to know from the Government when it will be announced and how soon it will be announced and what will be the relief because the workers are literally dying in all the cities. Even in Delhi 4 mills are closed. On this issue I would

like the Minister to clarify the Government's stand.

SHRI V. SOBHANADREESWARARAO (Vijayawada) : The hon. Minister for Finance was telling that this Government is giving utmost priority for agriculture. But even now the farmers in rural areas are suffering for want of credit and they are compelled to take credit at higher rates from the money-lending people. Will the Finance Minister increase the amount that will be made available through NABARD by at least another Rs. 200 crores?

SHRI SAIFUDDIN CHOWDHURY (Katwa) : The hon. Minister has given some concessions on diesel and kerosene. But the remaining larger increases in petroleum prices are going to affect the fares of buses and transport. Now the States are under compulsion to agree to an increase in the bus fares and it is going to cause a lot of hardship to the commuters.

Now I would like to know whether you will be considering giving some subsidy on this account so that the State Governments can give that subsidy to the bus-owners if possible and convince them not to hike the bus fares.

SHRI V. S. KRISHNA IYER (Bangalore South) : What are the criteria on which central assistance is given to the drought-affected areas? In Karnataka State out of 135 taluks there are drought conditions in 103 taluks and the Karnataka Government has submitted three memoranda requesting for assistance of nearly Rs. 255 crores whereas the Central Government has given only Rs. 32.5 crores. The hon. Chief Minister of Karnataka has been repeatedly reminding your good self and all the Members from Karnataka—we have received copies of that—that so far the Central Government has given only Rs. 30 crores. The State has to incur increased expenditure and when it is forced to take an overdraft, of course, the Central Government accuses the State Government I want to know the criteria on which such assistance is given.

[*Translation*]

SHRI GIRDHARILAL VYAS (Bhilwara) : Mr. Chairman, Sir, through you, I want

to bring to the notice of the hon. Finance Minister that the nationalised banks are charging compound interest, many times more than the principal, on loans advanced to the farmers. Rs. 15,000 are being realised against a loan of Rs. 3,000, whereas there is a provision in the Civil Procedure Code that recovery of more than double the amount of principal cannot be made. Similar provision also exists in the Act relating to money lending, but in the absence of any rules in this regard in the banks, the farmers are being subjected to loot and their lands are being auctioned. Therefore, I would like to know from the hon. Minister whether he would formulate rules to protect the poor farmers from this loot?

SHRI BALKAVI BAIRAGI (Mandsaur) : Mr. Chairman, Sir, I would also like to draw the attention of hon. Finance Minister to an important point. The hon. Finance Minister has been kind enough to remove the extra excise duty on bidi. I thank him for that. This is the first Government of which we have hopes they have raised the duty on soda while they have not touched wine. May I know the reasons behind it? Wine is an item on which you can increase excise duty, but you have spared it.

[English]

SHRI MANORANJAN BHAKTA (Andaman and Nicobar Islands) : Sir, I also want to seek a clarification from the hon. Finance Minister. The State governments have revenues for resources but so far as the Union territories are concerned particularly like Andaman and Nicobar Islands—we are completely dependant on the Central Government for our shipping services and other things. I would like to know whether the case of Union territories like Andaman and Nicobar will be considered favourably.

SHRI K. RAMAMURTHY (Krishnagiri) : Sir, I want a clarification in regard to bonus. Previously the Bonus Act of 1965 was having the lower limit of Rs. 750 and upper limit of Rs. 1600. The trade unions in this country were agitating and submitted lot of memoranda and had also taken up the matter with the Prime Minister, Shri Rajivji that the lower quantum of Rs. 750 should be

raised to Rs. 1600 and Rs. 1600 limit should be raised to Rs. 2500. I would like to know whether the hon. Finance Minister will reconsider this issue and concede the demands of the trade unions.

PROF. N. G. RANGA : Mr. Chairman, Sir, as has been pointed out by my colleague from the Congress side, I would like to say that so far as Agricultural credit is concerned today the cooperatives and banks go on charging penal rates for failure to pay the loan on the due date fixed by the banks. As far as ordinary private moneylenders are concerned we have Debt Relief Act but in regard to banks and cooperatives there is no such legislation at all. So, consideration has to be given to this particular point as to at what stage and in what manner peasants can be given relief from such penal rates. The peasant should not be made to pay twice the amount loaned to him. I would like the hon. Finance Minister to give special consideration to this.

KUMARI MAMATA BANNERJEE (Jadawpur) : I want to say that a large section of our sick industries in West Bengal has been closed down. Many workers are now in starvation. I want to know what is the government policy regarding this serious matter. It is a very serious matter. Sir, many workers will be unemployed. West Bengals economy will be ruined.

[Translation]

SHRI RAM PYARE PANIKA (Robertsganj) : Mr. Chairman, Sir, it is heartening to know from the hon. Finance Minister that States' share in the matter of budget allocation in the plan sector is being increased by 39 per cent. But allocations from the Centre to tribal welfare sector, scheduled caste welfare sector, backward classes welfare sector and desert development sector have been comparatively lower. In this connection, I would like to know from the hon. Finance Minister whether he would write to the States to allocate funds from their own resources for these sectors?

SHRI DILEEP SINGH BHURIA (Jhabua) : Mr. Chairman, Sir, due to insufficient rains this year, drinking water is not available in many cities and villages

in our State. I belong to Madhya Pradesh. There are 45 districts in this State, out of which 25 are drought affected. Conditions of severe famine exist there due to non-availability of drinking water. I would like to know whether the hon. Finance Minister would make some arrangement to provide drinking water in these districts?

[English]

MR. CHAIRMAN : This question has already been raised.

MR. CHAIRMAN : Again it will become a debate. You can ask only the clarifications, if any.

SHRI ASUTOSH LAW (Dum Dum) : Sir, I would like to know whether the hon. Finance Minister will consider that the scheme for pensioners will be at *pari passu* with the workers in case of the company in liquidation.

[Translation]

SHRI G. BHOOPATHI : Rice at the rate of Rs. 2 per kg. for the poor in Andhra Pradesh.

[English]

MR. CHAIRMAN : That point was already made.

(Interruptions)

SHRI VISHWANATH PRATAP SINGH : The first point made was that the public sector is being neglected and allocation for the Visakhapatnam Steel Plant has been low. I may assure the hon. Member that the public sector is not being neglected and the allocation for Visakhapatnam Steel Plant is in accordance with the resources available and in the context of the resources we have. About the textiles, a point was raised by Mr. Datta Samant as to when the policy would be announced. I could share his concern that sickness is the main problem in this industry. We have seen the two sides of the sickness in Bombay and a very concerted policy keeping in view the balance between handloom, powerloom and organised sector, employment of the workers, sickness and fibre policy will be decided. Now, the Textile Advisory Body

has made its recommendations, a Group Committee was formed which had given its recommendations and an Expert Committee and also given some recommendations. They will be processed and we will come up with a policy at the earliest.

About the agricultural credit to be raised to Rs. 200 crores, I cannot raise it because it is the public money. About the bus fare, it is being asked, 'if subsidies are being given, we could afford to leave it untouched but why the rate is raised?' I may point out that so far as the fares are concerned, it is the Corporations which decide. The autonomous body can take the decision.

About drought conditions in Karnataka and Andhra Pradesh. I think these are the discussions for deciding about the special assistance with reference to the special difficulties of the States. When the plans are discussed, the Planning Commission would discuss these things and some adjustments might be made. But immediately now I will not be able to say how much assistance would be given.

About bank loan interest that it should not be more than double, I think nobody asked that it should be doubled. One thing is necessary; that is, that it should be paid in time. The other thing is that all this money which we receive by way of taxes go to the bank deposit as public money which will be loaned. But if it is not returned, some day the bank will go hunting after the debts. I must tell very frankly that we have to tone up the recovery and it is the important thing for banking system. Otherwise some other poor people will be deprived if the money is not recovered in time.

Now, a point raised was : why not tax be levied on alcohol? Now, there is industrial alcohol and there is potable alcohol. I think the hon. Member is referring to the potable alcohol. That is a State subject and we cannot consider that here. About bonus, it was Rs. 750 and now it is raised to Rs. 1600. The question was : why not we raise it to Rs. 25,000? I think this is what we have done at the moment and we cannot consider raising the limit further.

Regarding our policy about sick indus-

tries, even in the Budget we have made an announcement about this, and that is that if the net worth is eroded by fifty per cent, the company will have to call the General Body, and only then it will have the right to manage the factory or the enterprise, and if it erodes hundred per cent of net worth, then it will have to go and they will have no right to manage it and we will have to take action against those people, who for selfish purposes or surreptitiously make these industries sick... (*Interruptions*).

As regards shipping facilities in certain Union Territories, this, I think, will come in the Demands of the Shipping Ministry.

SHRI MANORANJAN BHAKTA : But the finance has to be allocated by you.

SHRI VISHWANATH PRATAP SINGH : But I cannot allocate finance in advance before it comes.

About the drinking water etc. these are schemes which come under the State sector. General allocation is made to the States and the States take up these schemes.

About the pension being equivalent to the wages when the units are closed, I have made a note of it and I will explain the position to the Member.

MR. CHAIRMAN : The question is :

“That the Bill be passed.”

The motion was adopted.

16.33 hrs.

UNION DUTIES OF EXCISE (DISTRIBUTION) AMENDMENT BILL, 1985; ESTATE DUTY (DISTRIBUTION) AMENDMENT BILL, 1985; ADDITIONAL DUTIES OF EXCISE (GOODS OF SPECIAL IMPORTANCE) AMENDMENT BILL, 1985

MR. CHAIRMAN : The House will now take up items Nos. 14, 15 and 16 together.

THE MINISTER OF FINANCE AND COMMERCE AND SUPPLY (SHRI VISHWANATH PRATAP SINGH) : I beg to move :

“That the Bill further to amend the Union Duties of Excise (Distribution) Act, 1979 be taken into consideration.”

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) : On behalf of Shri Vishwanath Pratap Singh, I beg to move :

“That the Bill further to amend the Estate Duty (Distribution) Act, 1962 be taken into consideration.”

I also beg to move* :

“That the Bill further to amend the Additional Duties of Excise (Goods of Special Importance) Act, 1957, be taken into consideration.”

All those Bills which have been moved today arise out of the recommendations of the Eighth Finance Commission. The report of that Commission along with Memorandum as to the action taken was laid on the Table of the House on 24th July, 1984, as required under Article 281 of the Constitution.

In terms of article 280(3) on the Constitution, the Commission is required to make recommendations in regard to :—

- (i) the distribution between the Union and the States of the net proceeds to taxes which are to be, or may be, divided between them and the allocation between the States of the respective shares of such proceeds;
- (ii) the principles governing the grants-in-aid under article 275 of the Constitution; and
- (iii) any other matter referred to the Commission in the interests of sound finance.

The recommendations of the Commission are implemented in the case of income tax and grants-in-aid by an order of President, while those in the case of Union duties of excise, additional duties of excise and the estate duty are implemented by Parliamentary legislation. The remaining recommendations are imple-

*Moved with the recommendation of the President.