

Amendment of Railways Act to expand commercial tax collection

*245. SHRI S.M. GURADDI :
SHRI PRIYA RANJAN DAS
MUNSI :

Will the Minister of TRANSPORT be pleased to state :

(a) whether Government have taken note of the recent suggestion of West Bengal, Karnataka, Andhra Pradesh and Maharashtra Governments to effect some changes in the Indian Railways Act to enable them to expand their commercial tax collection base;

(b) if so, the details thereof and reaction of Government thereto; and

(c) the reasons if the proposals are not acceptable to the Railways?

THE MINISTER OF STATE IN THE DEPARTMENT OF RAILWAYS (SHRI MADHAV RAO SCINDIA) : (a) to (c) A statement is given below :

Statement

Regarding amendment of Railway Act to expand commercial tax collection

(a) & (b) Some State Governments have suggested that Indian Railways Act be amended to empower the Railways to insist on production of clearance certificate from the Sales Tax authorities before booking/delivery of goods. After due examination, it has not been possible to agree to the suggestion.

(c) Insistence on production of Sales Tax clearance certificate before booking or delivery of goods will make the procedure for booking/delivery of goods cumbersome. Further, it will slow down the process of booking and removal of goods from goods sheds. This will result in detention to wagons and congestion in goods sheds which, in turn, will affect the mobility of rail movement which will not be in overall national interest. However, Sales Tax Officials have been permitted to extract in-

formation from Railway records to check evasion of sales tax.

SHRI S.M. GURADDI : May I know whether the Government have been assessed the loss sustained by the Commercial Directorates in the States?

SHRI MADHAV RAO SCINDIA : Sir, it does not come under the purview of the Department of Railways.

SHRI S.M. GURADDI : Sir, for this I am very sorry. In the reply the Minister has argued that insisting of Sales Tax receipts will delay the movement of wagons. However, Sir, under this pretext, the traders will evade the taxes. What action will you take regarding this?

SHRI MADHAV RAO SCINDIA : This does not come under the purview of the Ministry of Transport, Department of Railways...

SHRI S.M. GURADDI : You are giving an answer.

(Interruptions)

SHRI S. JAIPAL REDDY: How was this question addressed to the Railway Minister? Once the question is posted for the consideration of the House, the Minister can not be allowed to say like this....

MR. SPEAKER : This is about the amendment of Railways Act.

(Interruptions)

SHRI H.M. PATEL : He can always get the information from other Ministers.

SHRI S.M. GURADDI : Normally the Lok Sabha Secretariat informs the Member...

PROF. MADHU DANDAVATE : The Government is one integral Government....

(Interruptions)

MR. SPEAKER : Why don't you ask a question regarding this?

(Interruptions)

SHRI MADHAV RAO SCINDIA : Regarding operations, how it will affect the working of the Railways, I will certainly answer it. But the assessment of Sales Tax losses or possibly the Sales Tax Revenue is not something on which the Railway Department has to say.

(Interruptions)

SHRI PRIYA RANJAN DAS MUNSI : May I know from the hon. Minister whether the mobilisation of the Sales Tax Resources is the constitutional right of each State Government. Pending the decision of the Sarkaria Commission about the relations between the States and the Centre. While the Planning Commission has accused and alleged the State Governments for failing to mobilise the resources, I want to know whether it is not a basic fact that as between the Government of India and the State Governments, in consonance with the spirit of the Constitution of India, the States should not be deprived of their legitimate resources of the Sales Tax and that the Railway Ministry is bound to carry out the instructions of the State Governments in this regard without depriving their rights. Therefore, I would like to know from the hon. Minister as the ticketless passengers are not permitted to travel in the trains, but the goods will not travel in the trains without paying Sales Tax to the States. Why the Railways would not make some arrangements to meet this problem?

SHRI MADHAVRAO SCINDIA : I would like to reiterate that our primary responsibility is to transport goods; and we will do our best to cooperate with all the other Ministries, all the other departments and all the State Governments, insofar as it does not affect the mobility of our wagons, or our movements. I would like to mention here that Railways are a very important part of the economic infrastructure of our country.

MR. SPEAKER : It will mean that we will have to refer this question to some other Ministry.

SHRI MADHAVRAO SCINDIA : We have increased the mobility of wagons.

(Interruptions) I would beg to differ from the hon. Member. We have issued a circular to Railways that all possible help should be extended to sales tax officers. They should be given access to all records. They can even extract information from our records: all cooperation should be given to them. I think this is being done now in all the Railways.

SHRI SOMNATH RATH : Will the Railway Department insist on the production of clearance of sales tax before they are booked ?

PROF. N.G. RANGA : That is right; it should be their duty.

SHRI MADHAVRAO SCINDIA : This is the entire question. We are saying that it is not possible to do so.

PROF. N.G. RANGA : We expect the State Governments provide security assistance to the Railways. Should there not be reciprocity from the Centre also ?
(Interruptions)

Telugu-Ganga Project

*246. **SHRI NARSINGRAO† SURY-AWANSHI :**
SHRI SRIKANTHA DATTA NARASIMHARAJA WADIYAR :

Will the Minister of WATER RESOURCES be pleased to state :

(a) what are the salient features of the proposed Telugu-Ganga Project and when it is likely to be approved;

(b) whether the above project ensures full share of Krishna water to Karnataka; and

(c) if not, whether Government will consider the proposal to remodel the project to fully protect the interests of Karnataka State ?

THE MINISTER OF WATER RESOURCES (SHRI B. SHANKARANAND) : (a) to (c) The Telugu Ganga Project is estimated to cost Rs. 637 crore,