

the hon. Minister whether his Ministry would see to it or have some arrangements with the Government of Nepal for this particular wool trade. Now, there has been a lot of talk about the bilateral relations with them. The hon. Member, Shri Rawat, comes from the border area and he knows that the economy has a lot to do with a wool trade that comes from Nepal. Now, will his Ministry try and have this arrangement with Nepal or not?

**SHRI CHANDRA SHEKHAR SINGH** : If that is going to help the situation, certainly we shall consider.

#### Taxation on Inter-State Consignment Transfers

\*801. **SHRIMATI BIBHA GHOSH GOSWAMI**

**SHRI BASUDEB ACHARIA** : Will the Minister of FINANCE be pleased to state :

(a) whether Government propose to bring forward suitable legislation and frame the rules regarding taxation on Inter-State Consignment transfers ;

(b) if so, when, and

(c) the reasons for the delay in this regard ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY)** : (a) to (c). A conference of Chief Ministers held on 28-5-1984 recommended by consensus different aspects of framing legislation for taxing inter-State consignment transfers. The Government has not yet taken decision on the various issues involved.

**SHRIMATI BIBHA GHOSH GOSWAMI** : The legislation concerned is of most vital interest to all the States. It is not a regional or local issue. So, Government should have given us more details in their first reply. Anyway, I have with me the summary record of the

Conference of Chief Ministers held on 28th May 1984. Here, there is a set of unanimous recommendations, and the last line of it says :

“Further that the legislation to implement the above be introduced at the earliest opportunity.”

In view of this, and also in view of the fact that the States are losing an enormous quantity of potential resources due to failure on the part of Central Government to pass the necessary legislation, I want to know from the Minister whether Government will bring the legislation immediately in this House, in this Session of the House, and pass it during the current session.

**SHRI JANARDHANA POOJARY** : Here, I want to mention that the Group that has been set up by the Chief Ministers, i.e. the group headed by the Finance Minister with the Chief Ministers of some of the States, has not come to a consensus regarding the proceeds of the proposed consignment...

**SHRIMATI BIBHA GHOSH GOSWAMI** : It is not necessary. It was done after wards.

**SHRI JANARDHANA POOJARY** : That is, how they are to be disbursed. So, a Chief Ministers' Conference was convened on 28-5-1984. Some recommendations were made; but as the hon. Member knows, a new Government has come into existence in the month of January 1985. We are looking into all the aspects. A fresh look will be there, and the Government has not taken a decision. It is under consideration.

**PROF. MADHU DANDAVATE** : Government is always continuous.

*(Interruptions)*

**SHRIMATI BIBHA GHOSH GOSWAMI** : In a letter dated the 5th October 1984, the then Finance Minister in reply to a letter from the Chief

Minister of West Bengal to the Prime Minister had stated—I quote :

“The Central Government is aware of the anxiety of the State Governments to get the proposed levy of consignment tax finalised in the context of the growing need of the States for mobilising additional resources. As you know, the resolution adopted in the Chief Ministers’ Conference held on 25-8-84 gives the broad outlines of the scheme for the levy of the proposed consignment tax. While working out on them, there arose several important constitutional, legal and other issues and it required time to sort out the same. Beside, the Ministry of Law was extremely busy with certain other legislative matters. For these reasons, it was not possible to get the proposed Bill ready for introduction in the last session of Parliament.”

Last session means, the last monsoon Session.

Originally, the national Law Commission had made the recommendation; and on that recommendation, the 46th Amendment of the Constitution was there. So, may I know from the Minister what exactly are these issues which could not be sorted out in the last more than seven months ?

**SHRI JANARDHANA POOJARY :** It is true that there was a Law Commission’s report; and in the 61st Report, they have recommended this; and we have amended the Constitution. There was the 46th Amendment also, to that effect. Now, as I said earlier, we are having a fresh look at all the issues; that means the implications and others. Therefore, the Government is looking into the question....

**SHRI C. MADHAV REDDI :** We came to know that there was already a consensus with regard to the apportionment of the taxes; and according to that consensus, the entire proceeds were to go to the States. In view of this, where

was the hitch about coming to a decision, and introducing a Bill in Parliament ?

**SHRI JANARDHANA POOJARY :** As per the recommendations, so far as the disbursal amount i.e. the proceeds of the proposed consignment tax is concerned, the sub-group did not come to any conclusion. There was a dispute and when it was placed before the Chief Minister—the Chief Ministers’ Conference was called on 28-5-85—some recommendation had been made. As per that recommendation, 50 per cent of the proceeds should go to the assessing States and another 50 per cent should go to the pool wherein that distribution should take place. In the meantime, we had received so many representations from Administrative Ministries of the Central Government. They also feel difficulties and that also we have to take into consideration; that is why I stated, we are going to have a fresh look at it; and it is under consideration; we are looking into all the aspects of it.

**SHRIMATI GEETA MUKHERJEE :** Considering that the government continues, considering that no new situation arises, in the meantime, will the Minister kindly let us know the time limit by which this legislation will be introduced here and passed ?

**PROF. MADHU DANDAVATE :** How can he assure that the government will continue ?

**SHRI JANARDHANA POOJARY :** As already stated, I don’t think I have to repeat it once again.

**SHRI K.P. UNNIKRISHNAN :** Is it not a fact that the former Finance Minister, Shri Pranab Mukherjee, had promised many States Governments that this will be taken up immediately ? Now you are saying that you are going to have a fresh look at it. When did you decide, to have a fresh look at it ? Is it after this government came to

power in January ?

**SHRI JANARDHANA POOJARY :** I have already stated. You did not hear I think. That is why after the new government has come into existence, we are having a fresh look at it; we are going into all aspects of it.

#### Debt Burden of Developing Countries

\*804. **SHRI SATYENDRA NARAYAN SINHA :** Will the Minister of FINANCE be pleased to state :

(a) whether the debt burden of the developing countries was discussed at the meeting of the International Development Committee of the International Monetary Fund and World Bank in April 1985;

(b) if so, the outcome thereof; and

(c) the stand taken by Government ?

**THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHANA POOJARY) :** (a) Yes, Sir. The debt issue was mainly discussed in the Interim Committee (a Committee of the Governors of the IMF). The Development Committee (a Joint Ministerial Committee of the Governors of IMF and World Bank) also discussed the issue in brief mainly endorsing the conclusions reached and recommendations made in the Interim Committee.

(b) The Interim Committee noted with concern the severe debt servicing difficulties faced by many developing countries and urged the creditors and debtors to work in co-ordination to restore the creditworthiness of and investment climate in these countries through adequate flows of new lending on realistic terms and restructuring the past maturities of loans extended by private and official creditors.

(c) The views expressed by the Com-

mittee were in line with Government of India's thinking on the debt issue.

**PROF. MADHU DANAVATE :** I suggest that Mr. Sinha and Mrs. Sinha be clubbed together.

**MR. SPEAKER :** Do you still feel they are apart ? Why do you want to drive a cleavage now ? Professorsahib's intentions do not seem to be good.

**SHRI SATYENDRA NARAYAN SINHA :** The questions are not identical. I have gone through the statement and I confess I have not been able to understand the reply. What concrete steps were suggested to be taken by the Interim Committee and what was the reaction of the other body ?

**SHRI JANARDHANA POOJARY :** If you go through the answer part (b) you will find that "The Interim Committee noted..." That Interim Committee and also the Development Committee of World Bank, these are two committees; and unfortunately, the hon. member could not find a distinction, difference between these two committees; and that is why we have cleared it.

**SHRI SATYENDRA NARAYAN SINHA :** I know the distinction between the Interim Committee and the Development Committee; and I know that the Interim Committee, a group of 24, met and prepared a note of demand which was considered by the Interim Committee; and this is the result of the Committee. Therefore, I say you are expressing pious sentiment and sympathy. What concrete steps were suggested to be taken up and what action has been taken ?

**SHRI JANARDHANA POOJARY :** Because he had cast some aspersions that he could not understand the reply, what I submit is, this is how that question was formulated. The question reads.

"Whether the debt burden of the