

THE CUSTOMS TARIFF (AMENDMENT) BILL, 2003

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND COMPANY AFFAIRS (SHRI GINGEE N. RAMACHANDRAN) : Madam, I beg to move:

"That the Bill further to amend the Customs Tariff Act, 1975, as passed by Lok Sabha, be taken into consideration."

Madam, due to the urgency for replacing the Customs Tariff (Amendment) Ordinance, we have introduced the Customs Tariff (Amendment) Bill, 2003, that is already passed by the Lok Sabha on the 3rd March, this year. It is sent to this House for consideration. For having a uniformity in the Government classification codes prevailing for customs tariff purposes and also for commercial purposes, which are adopted by the Commerce Department, and also by the international organisations, to expand the six-digit classification code to the eight-digit classification code, we have introduced this Bill. It seeks to replace the Customs Tariff (Amendment) Ordinance, 2003 also. Now, the customs tariff is classified under the six-digit code. The Commerce Department has adopted 8-digit code in order to harmonise the commodities in one code which will reduce the transit cost and other classifications and disputes. For that reason, we have introduced this Bill to replace the Ordinance. On that matter, it has already been taken up in the Lok Sabha. It has come up for discussion in the Rajya Sabha. After hearing all your points, I will give my reply.

The question was proposed.

SHRI PRANAB MUKHERJEE (West Bengal) : Madam, I rise to make my observations on this Bill. The Bill, as you know, is one of the bulkiest documents, containing 554 pages. But all the pages contain the schedules and a large number of items. The whole objective of my participation in this Bill is just to travel back in the memory lane, in the sense that 28 years ago, sitting on that side, I had the privilege of piloting the Bill now the principal Act, the Customs Tariff Act, 1975, which was based on the harmonised system of nomenclature, which was popularly known as BTN, Brussels Tariff Nomenclature, it was evolved by the Customs World Organisation located at Brussels. At that point of time this harmonised system was based on 6 digits. Now, the Department of Revenue has evolved over the years a system of 8 digits. Certain

organisations have evolved 10 digits system. Already, from the 1st of April, 2002, the 8-digit harmonised system of nomenclature have been introduced. Now, two questions arise, and, if the movers of the Statutory Resolution were there, they could have pointed it out as to why it has been brought in the form of an Ordinance, because the Government wanted to introduce the 8-digit harmonised system of nomenclature, recommended by the Customs World Trade Organisation. No harm, everybody accepts that and it should be done. It was introduced from 1st April, 2002. Therefore, in the July Session, in the Monsoon Session, we could have got it done through the regular legislation. In Winter Session also, we could have done it. There was no need of bringing it in the form of Ordinance in the month of January. I object to the principle of making financial legislations. It is a money Bill as defined under Article 110. Financial legislations need not necessarily be routed through the ordinance route; it should be done through regular legislations. Secondly, when, for the last 10 years, we have evolved a system of scrutinising the important pieces of legislation by the Standing Committees, there would have been no harm if this Bill would have passed through the scrutiny of the appropriate Standing Committee, in this case the Standing Committee of the Finance Ministry. I am repeating the point. The code has been evolved by the Department of Revenue. There have been consultations with the DGFT, Director-General of Foreign Trade. The Director-General of Commercial Intelligence and Statistics has been consulted. Various Chambers of Commerce, representatives of the trade and industry have also given their inputs, and if the Members of this Standing Committee, dealing with money and finance, could have given their inputs, I think, the Bill would have become better, from the presentation point of view and from the appreciation point of view. There was no urgency as such that a legislation through the Ordinance route should have taken place. But when it has been passed by the Lok Sabha, so far as the Constitutional provision with regard to this House is concerned, in respect of Money Bills, our observations are extremely limited in the sense that you can't hold it beyond 14 days. In future, I think the hon. Minister may listen to my suggestion that this type of legislations should be routed through the Standing Committee, where a detailed scrutiny is possible.

The second point to which I would like to draw the attention of the hon. Minister is that when these nomenclatures are accepted and they are interpreted by various officers, there will always be constant conflicts between the Office of the Director-General of Foreign Trade and the

Revenue Department in regard to the correct interpretation of the classifications because the rates are not going to be changed. So far as the main content of the Bill is concerned, I am happy that all major areas are taken note of, for instance, the harmonised system of nomenclature has been retained while prevailing on common classifications. Section notes, chapter notes, sub-heading notes of the harmonised system have also been retained. Only the supplementary notes have been added, and rightly so, because the expanded items have been brought within the system. From 1975, in the last 28 years, a large number of new items have come. They should be grouped and regrouped and where it is not possible to specifically indicate them under any particular item, they have been grouped together. That is also quite rational. But the point which I am trying to drive at is that there is always a conflict of interest. So far as the Revenue Department is concerned, genuinely, the revenue people want to earn more revenue and, therefore, they interpret the notifications in such a manner that the Government gets more revenue. On the other hand, the Department of Commerce has an interest in promoting international trade, both in terms of imports and exports, and, therefore, their interpretations are slightly favourable to the traders who are engaged in international trade, either in imports or exports. Therefore, a system should be evolved where there would be a common interpretation, as far as possible. After the presentation of the Budget, two sets of notifications are issued, one by the Department of Revenue and another by the Department of Commerce. Immediately after the presentation of the Budget, a large number of notifications are being issued and laid on the Table of the House. After the passage of the Budget, after the approval of the Finance Bill, the mid-year corrections are also made by the Finance Ministry and the amended notifications are also laid on the Table of the House. Most of the time, Members do not take note of or cognisance of them. After the lapse of a period of 30 days, they become automatically accepted because we hardly take note of them and bring them for a discussion within 30 days. Therefore, to my mind, it would be simpler, if the hon. Minister ensures that there is a constant dialogue between these two organisations. As far as possible, common interpretations should be issued by the Director-General of Foreign Trade to his subordinate offices and by the Department of Revenue to various customs officers so that the different type of interpretations should not stand in the way of (a) revenue realisation; and (b) expansion of international trade. This is the second suggestion which I would like to make.

The third suggestion is that the Government has already the power of delegated legislation and delegated legislation is also not unusual. It is in the normal natural course. I am happy that the old notification period of 30 days has been retained, where the House can take it up, if at any particular point of time Members are interested in discussing the changes which will be introduced. It is satisfactory that the rate of customs duties will not be altered in the name of reclassifications and moving from six digits to eight digits nomenclature. From the statement of the Minister and from the speeches made in the other House, I understand that it will be revenue neutral. With these brief comments, I extend my support to the Bill.

SHRI B.P. APTE (Maharashtra) : Madam, I am grateful to you for giving me this opportunity to speak. I stand here to recommend the Bill for adoption to this hon. House. The Bill, even though it is bulky, makes a simple attempt to harmonise, to conform to international standards and is also beneficial to our importers. Madam, the World Custom Organisation had recommended this and, even within the WTO regime, harmonised commodity discipline and coding system are a part of the international regimes.

In our country, earlier we had a code of six digits and three Directorates have given three different harmonisation codes. It was necessary to rationalise them, as also to standardise them. It was also necessary to ensure that the data entry is clear and transparent. Therefore, a harmonious system of nomenclature is sought to be introduced by this Bill.

The amendment which provides for delegated legislation is really material because only for the purposes of codification, only for the purposes of computerisation, only for the purposes of a beneficial system of understanding, this House need not be troubled with a volume which has everything that was in the Schedule excepting the numbering. Therefore, for the purposes of such standardisation amendments where rates of tariff are not material, power is now delegated, by the added section, to the Central Government, and which is really a classic objective of any proposal for subordinate legislation.

While the expansion of the code from six digits to eight digits will furnish a coherent classification, not only to the rates of customs duty but

also to the importability of commodities. As I mentioned earlier, it will also ensure that the data entries are clear and transparent.

Madam, while we are trying to conform to international standards, while we are all for such harmonisation - as here we are implementing the recommendations of the World Customs Organisation-I would place before this House a word of caution that the WTO regime seeks some more harmonisation which is not in our interest.

Maaam, the developed countries are asking us, the Developing countries, to additionally enter into a 'zero-for-zero.' tariff harmonisation and they want us to commit on such tariff harmonisation which is not only unfair but will also affect our economics. Madam, while we have been enacting legislation to conform to international requirements - we have already gone through the Patents Bill, the Biodiversity Bill and the Competition Bill - I would like the Minister to assure us that in so far as the tariffs are concerned, in so far as the objectives of tariffs in this country are concerned, our concerns will be brought to the notice of the world community and they will remind the world community of the basic articles of the GATT which require negotiations to take into account the needs of less developed countries for a more flexible use of tariff protection to assist their economic development and the special needs of these countries to maintain tariffs for revenue purposes.

Even though the present codification does not change the rates and, therefore, has no revenue implications, I am taking this opportunity to urge upon the hon. Minister to beware of the designs of the developed countries and if necessary to remind them the words of our Prime Minister who told the United Nations General Assembly before the Doha negotiations that our public is unwilling to accept another post-dated cheque when an earlier one has bounced. Therefore, while conforming to this codification, we must protect our interests in so far as tariffs are concerned, which are part of our revenue. With this word of caution, I support the Bill. Thank you.

SHRI CO. POULOSE (Kerala) : Maaam, multiplicity of classification of commodities causes hardships to the trade and industry. There has been a demand for early adoption of a harmonized system of nomenclature-based common commodity classification code applicable to all import purposes.

import statistics are also required for commodities which are of special significance to the country's needs. In most of the developed countries, expanded classification code based on harmonized system of nomenclature is adopted for all import purposes. The eight-digit classification code developed by the Department of Revenue in consultation with the Department of Commerce and other Ministries dealing with the industry and trade related matters and trade and industry's association is welcome. The objective of the code is to furnish the rate of customs duty and the importability of the commodities. Computerisation of tax administration and electronic data processing requires a common commodity code. The introduction of a new eight-digit code is an essential step and is welcome.

The Customs Tariff Act of 1975 has to be amended to incorporate this change for which the Government has opted the Ordinance route. The Budget Session of Parliament was scheduled to begin on 17th February. The Government should have waited for the start of the Budget Session, instead of promulgating this Ordinance on 20th January.

Even though the changes proposed in the amendment Bill are of technical nature and the fact that the existing duty rates are retained without any change, the Central Government has been given power to make changes in the first schedule of the Customs Act through subordinate legislation. The House can discuss it. Naturally, if it is implemented through subordinate legislation, the Government can bypass proper discussion in this House. That is my main concern.

This provision enables the Government to expand the list of importable goods without coming to Parliament. The mother Act, that is the Customs Tariff Act of 1975 was enacted in a totally different atmosphere. Now entirely a new situation is prevailing in the world trade. The WTO regime has come into existence by which the Indian market is open for unrestricted import. The experience of the post-WTO period shows that imported goods are growingly occupying the Indian market. Imported agricultural produces, industrial products and other consumer durables are growingly competing with our local products. The impact of liberalised import of each of these commodities is to be assessed in detail. Our interest is supreme. The well-being of our people should be supreme and not the fulfilment of WTO conditionalities. India's foreign trade still remains

a negligible percentage of world trade. We have opened our market to almost all the commodities from the world trade. The developed countries are heavily subsidising most of their agricultural products. This makes them capable of exporting those agricultural produces at cheaper rates than that is prevailing in our country. The Government of India is retreating from giving subsidies to the agricultural producers. The cost of agricultural production is regularly rising in India. The liberalised imports at lower customs tariff are challenging the very existence of India peasantry in particular. Under the WTO regime, customs tariff can be railed up to the bound rates. But, our present day experience shows that lowering of customs tariff is on the priority list of the Government of India. This has enabled our foreign competitors to challenge the Indian peasants on their own soil. The farming community, in general, is against the WTO regime. This is not particularly for the agricultural sector. The import of small-scale industries products by this country is growing and it is the chief cause for closure of many of SSI units. Every item of consumer durables finds way to the Indian market through imports. Take, for example, milk and milk products. The household animal population in this country is quite large. For a huge portion of our population, it is their livelihood. If milk and milk products are imported liberally with lesser and lesser duty, what will be the condition of this vast majority of milk producers? The Indian households, who produce milk, will be ruined; can our household milk producers compete with the large-scale farms of Europe? Many of the other consumer products also face the same fate. The plantation crops have a very long and historical importance. Each one of these plantation industries is in distress. Instead of opening the market for liberalised import with lesser customs tariff, I request the Government to have a proper evaluation of this liberalised import of every commodity and take steps to protect our producers, otherwise, India will soon become a market for selling the products of the developed countries that will lead to bankruptcy of our country. Thank you, Madam.

SHRI C.P. THIRUNAVUKKARASU (Pondicherry) : Madam, we do not have the uniformity and simplicity. The Bill has been introduced and I welcome this. Eight-digit classification code has been introduced. As we are now told, the Customs Department also has this eight-digit classification code. The classification, re-classification, non-classification, this is good and makes it simpler to understand by all the departments. But, my worry is that exporters and importers are utilising this classification and re-classification

according to their benefits. M/s. Florida Research Group recently conducted a survey and gave a finding about the differences found in between them, one classification and other classification. This makes Indian exporters to accumulate eight billion dollars by utilising these classifications and misinterpretations. Another important point that I would like to stress is that I saw an article in the international journal describing edible as crude oil. From Malaysia, palm oil is exported to India, in the palm oil, there is one per cent fatty oil that has been described as crude oil. And, it is being imported by India, that one per cent fatty oil can be removed very easily. It is sold to India as palm oil. When it is exported from Malaysia, the duty on the crude palm is about 65 per cent. So, the exporters of palm oil have to pay a duty of 95 per cent regular. By this, the exporters of Malaysia are gaining about 35 per cent of their export duty and the importers of India are gaining out of it, and they are accumulating it. I would like to bring this to the notice of the hon. Minister and be enlightened as to whether by voluntarily including the non-fatty acid of four per cent into the palm oil, and making it into crude, we can see to it that classification is perfectly made and the people are not cheated.

Then, Madam, soya bean is imported to India as it is. As far as soya bean is concerned, once it is imported to India, it is converted into oil. And, a small tin is being sold at Rs.65/-. And, because of the import of soya bean, the duty has been minimised. As a result, the Indian farmers are affected very much, and they are suffering a lot. This may be kindly taken note of.

Madam, we also find that there is a lot of dumping taking place into our country, especially, from China. And, there is no specification about the length of the garments and the size of the garments. So, when it is dumped into our country, our weavers have to compete with the goods of the foreign countries, and they are having a lot of difficulties. Also, chillies that come from the Southern region of Kerala are very often imported, from China, as a result which our farmers are put into difficulties. And, the scale of rate has not been properly fixed. This may also be kindly taken note of by the Ministry.

Finally, Madam, I would like to say once again that at the time of classification, there should be a perfect classification, and the duty should be imposed as it is.

श्री सतीश प्रधान (महाराष्ट्र) : मननीय उपसभापति महोदया, मैं आदरणीय मंत्री जी का ध्यान सिर्फ दो बातों की ओर खींचना चाहता हूँ। मैडम, कस्टम टैरिफ (अर्मेडमेंट) बिल जो आज मंत्री जी ने सदन में पेश किया है और जिस पर हम चर्चा कर रहे हैं, उस संबंध में मैं अपने स्वयं के अनुभव को इस बहाने सदन के सामने रखना चाहता हूँ। हैम रेडियो की परीक्षा मैंने चार साल पहले, जब श्रीकांत जिचकर जी इस सदन के सदस्य थे, उनकी वजह से दी और उसमें मैं उत्तीर्ण भी हुआ। हैम रेडियो का इक्विपमेंट मुझे लेना था तो इसके लिए मैंने सरकार के पास अर्जी दी। हैम रेडियो लाने के लिए जो आवश्यक कंसेशन है। वह देने के बारे में मुझे लैटर दिया गया। इस दौरान मैं सिंगापुर गया था और वहां से वापस लौटने समय मैं अपने साथ हैम रेडियो का एक सैट लेकर आया। दिल्ली एअरपोर्ट पार आने के बाद मैंने जिक्र किया कि मुझे इसके लिए ड्यूटी भरनी है तो वहां जो अफसर मौजूद थे उन्होंने मुझे कहा कि इसके लिए मुझे पूरी ड्यूटी भरनी पड़ेगी। तब मैंने कहा कि बजट में तो मंत्री जी ने और सरकार ने इस विषय में विशेष सहूलियत दे रखी है। इसलिए कानून के अनुसार जो भी सहूलियत उपलब्ध है वह आप मुझे दे दीजिए और बाकी जो पूरी ड्यूटी है वह आप ले लीजिए। इसमें मुझे कोई ऐतराज नहीं है। लेकिन उन्होंने कहा कि कंसेशन वाली बात तो यहां नहीं चलेगी क्योंकि आप अपने साथ इसे बैगेज में लेकर आए हो। तब मैं आश्चर्य में पड़ गया कि यदि इसे अपने साथ में लेकर आया हूँ तो क्या मैंने कोई गुनाह किया है। मैंने उनसे पूछा कि यह क्या बात है, आप जरा मुझे समझा दीजिए। उन्होंने मुझे बताया कि सैट बैगेज में अपने साथ लाने के कारण जो विशेष सहूलियत है वह मुझे नहीं मिलेगी और मुझे इसके लिए पूरी ड्यूटी देनी पड़ेगी। हां, यदि मैं इसे अपने साथ में नहीं लाता और इसे शिपमेंट से मंगवाता तब वह सहूलियत मुझे मिल सकती थी। मैंने जरा जानकारी लेने की कोशिश की तो पता चला कि ऐसी बहुत सी आइटम्स कस्टम टैरिफ में हैं, जैसे टीवी है। यदि टीवी आप अपने साथ ले कर आए तो इसके लिए टैरिफ अलग है और यदि उसे आप शिपमेंट से मंगाएं तो उसके लिए टैरिफ अलग है। मैंने इस विषय में वित्त मंत्री को लैटर भी लिखा और कहा कि यह सरासर गलत दिख रहा है, प्राइमा फेसी गलत दिख रहा है। अब इस प्रस्ताव में क्या चीज है, यह मुझे पता नहीं लेकिन आप इस विषय की जांच कीजिए और यदि ये दो भाग अलग-अलग हों तो वह कानून बनाते समय जहां कमियां रही होंगी, उन्हें दूर कीजिएगा ताकि आगे किसी को ऐसी मुश्किल में न फँसना पड़े।

मैडम, माननीय मंत्री जी जो अभी टैरिफ बिल लाए हैं, इस में मैं ढूंढने की कोशिश कर रहा था कि इन्होंने इस विषय में कुछ दुरुस्ती लाई है या नहीं, लेकिन बड़े दुर्भाग्य की बात यह है कि इस पूरे बिल में कहीं इस विषय में रुल्स में दुरुस्ती करने की बात नहीं कही गयी है और साथ में, आने वाले बैगरेज के लिए अलग टैरिफ और शिपमेंट से मंगवाए तो अलग, यह चीज ठीक नहीं है। मैं आदरणीय मंत्री जी से आप के माध्यम से दोबारा प्रार्थना करूंगा कि आप जो भी टैरिफ रुल्स बनाएं, ऐसे प्रावधान को दुरुस्त करने की आवश्यकता है। माननीय मंत्री जी जब अपना जवाब दें तो इस विषय में वह क्या करने वाले हैं, इस का खुलासा करेंगे तो मैं उन का बहुत-बहुत आभारी रहूंगा। धन्यवाद।

उपसभापति : आप कह रहे हैं कि एकम्पनीड और अन-एकम्पनी बैगरेज के कस्टम में फर्क है। You were saying something.

श्री सतीश प्रधान : मैडम, साथ में बैगेज आए तो उस बैगेज के ऊपर ड्यूटी ज्यादा है और अगर शिपमेंट से मंगवाए तो कम है। यह जो कंसेशन लेटर आप देते हैं, वह शिपमेंट के लिए लागू है, लेकिन साथ में लाए तो उस के लिए लागू नहीं है। यह बड़ी विचित्र स्थिति है।

THE DEPUTY CHAIRMAN' : Now, we have only three minutes left. So, shall I adjourn the House for lunch if Members so agree and then we - will have the reply after the lunch.

श्री राजीव शुक्ल (उत्तर प्रदेश) : ठीक है, मैडम।

THE DEPUTY CHAIRMAN : Okay. The House is adjourned for lunch for one hour.

The House then adjourned for lunch at fifty-seven minutes past twelve of the clock.

The House reassembled after lunch at two minutes past two of the clock,
THE DEPUTY CHAIRMAN in the Chair.

THE DEPUTY CHAIRMAN : Mr. Gingee Ramachandran, you want to reply on the Customs Tariff (Amendment) Bill, 2003. Please go ahead.

SHRI GINGEE N. RAMACHANDRAN : Madam, this Bill replacing the Customs Tariff (Amendment) Ordinance, 2003, has already been passed by the Lok Sabha. The Ordinance was promulgated in the month of January due to certain exigencies. The hon. Member, Shri Pranab Mukherjee, asked, instead of coming to Parliament, what was the emergency that necessitated the promulgation of this Ordinance. I want to clarify this point.

The Customs Tariff (Amendment) Ordinance, 2003 was promulgated for bringing tariffs under one common code. We had adopted a six digit classification code. The Commerce Ministry has an eight digit classification code, which is followed by the Commerce Ministry. We have adopted that code to facilitate trade and industry, based on customs departments eight digit classification code. It is for that purpose that we have adopted it. After taking into careful consideration the classification codes adopted by the Commerce Ministry and others, we have adopted this common code. Internationally also, there are many countries which have adopted a ten digit classification code, an eight digit classification code, a six digit classification

code and so on. The Department of Revenue, the Director General of Foreign Trade and the Director General of Commercial Intelligence and Statistics and Sales Tax Department of various State Governments and the Central Statistics Organisation have been consulted on the Common Classification Code. I would like to inform the House that if there is any difference between the Department of Revenue and the Department of Commerce, then it would lead to litigation. It will take more time to know about the actual quantum that we have imported, what the actual tariff duty is. For these reasons, we have brought forward this legislation. This legislation also has been brought forward in order to reduce the transition costs. We have brought forward this legislation through an Ordinance, and now we are replacing it with this Bill.

I would like to inform the hon. Members that we are going to pass the Finance Bill. Before passing the Finance Bill, if we promulgate the Ordinance regarding the Customs Common Code, which is harmonised with nomenclature, it will be followed by the Finance Bill, only then the Finance Bill will be able to accommodate whatever has been stipulated in the Code. At the same time, the Commerce Ministry has also adopted the Exim Policy which will be effective from 1st April, 2003. For these two reasons, we wanted that the Ordinance should be promulgated well in advance, before introducing the Finance Bill and before taking into consideration the Exim Policy. Now, I am replacing that Ordinance with this Bill.

Hon. Members expressed various concerns about the WTO. We are a signatory to the WTO. We have come to an understanding to bring a two-tier system, but we are having power to raise custom duty to protect our industries. The hon. Member has already made a mention of that. The introduction of Common Classification Code will give more flexibility to various categories. Suppose, one item is classified under one head, if there are sub-heads, then we will have more. Now, instead of six digits, we will have eight digits. It will give us more scope for flexibility. We can take our own decisions because we have to protect the interests of our local industries. This process is going on in the WTO negotiations. For this reason also, we had to promulgate this Ordinance.

Madam, I want to bring this matter to the attention of the hon. Members of this House that this will facilitate trade and commerce; it will reduce the transition costs; the importers would be able to import easily and

count it. For all these reasons, this Ordinance was promulgated. This Ordinance was promulgated after consulting the concerned Ministries, various forums, trade and industry associations. The associations of trade and industry also demanded that it should be brought under one common code, both in the Department of Revenue and the Ministry of Commerce. I would like to inform the hon. Members that by taking this Ordinance route, we don't have any intention to bypass Parliament. We had to promulgate this Ordinance, before the introduction of the Finance Bill and taking into consideration the Exim Policy. So, this was the urgency for promulgating this Ordinance. Also, it will facilitate a smoother functioning; it would also simplify the import procedures and documentation, by adopting the Common Classification Code, for all trade-related transactions. I would like to mention to the hon. Members that for this reason only we had issued the ordinance; and now we would like to replace the ordinance by introducing this Bill. This Bill has already been passed in the Lok Sabha. I request the hon. Members to pass the Bill and return it to the Lok Sabha.

श्री सतीश प्रधान : मैडम, मैंने जो सवाल पूछे थे, जो प्रश्न खड़े किए थे, उनके संबंध में, मैं आदरणीय मंत्री जी ने कोई जवाब नहीं दिया है। क्या मंत्री जी इस विषय पर प्रकाश डालेंगे?

SHRI GINGEE N. RAMACHANDRAN : Madam, regarding other matters which don't pertain to this Bill, we would keep them in mind; we would examine them.

THE DEPUTY CHAIRMAN : Now, the question is :

"That the Bill further to amend the Customs Tariff Act, 1975, as passed by Lok Sabha, be taken into consideration."

The motion was adopted.

THE DEPUTY CHAIRMAN : We shall now take up clause-by-clause consideration of the Bill.

Clauses 2 to 4 were added to the Bill.

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

SHRI GINGEE N. RAMACHANDRAN : Madam, I move:

"That the Bill be returned."

The question was put and the motion was adopted.

RE. DEMAND FOR STATEMENT ON IRAQ ISSUE

SHRI PRANAB MUKHERJEE (West Bengal) : Madam, before we take up other issues, I would like to draw the attention of the House, through you, to the position that though we discussed the Iraq issue on a Private Member's Resolution on Friday, it is surprising that when things are developing in a very queer way, a very powerful nation is expressing its views that whatever be the consequences of the U.N. Security Council's resolution, it would go by its own will and that it would not accept any other forum's directive. A deadline is also being fixed by it now. I would like the Government of India, at the highest-level to make a statement. Without having any reflection on the Foreign Minister's observation. Is this not an occasion to take the Parliament - either Lok Sabha or Rajya Sabha - into confidence when the Parliament is in Session? When the Parliament is in Session, should the Prime Minister not open his lips? Should the Prime Minister not express his concern, or the concern of the Government? What we are finding is, various views are coming and, sometimes, different signals are given. Therefore, I would like to have ascertained the position from the highest in the Government, the Prime Minister. He must express the position of the Government of India. He must explain the concern of the people of this country. We can't carry on the cross of others. We have seen what happened after the battle in 1990; what happened after Kuwait; and how much it affected our economy. Our balance of payments situation had to face a major crisis. Therefore, on this issue, most respectfully I would say, we would like to know from the Government, when the Prime Minister is going to make a statement. I am not concerned with whatever assurances the Foreign Minister might have given on the issue, in a Private Members' Resolution. The Prime Minister, the highest in the Government, must make his observation quite clear. ...*(Interruptions)*...

श्री सुरेश पचौरी (मध्य प्रदेश) : मैडम, यह बहुत गंभीर मामला है। इस पर स्वयं प्रधानमंत्री जी को अपना वक्तव्य देना चाहिए। अगर इतने गंभीर मामले में स्वयं प्रधानमंत्री वक्तव्य न दें, और कोई वक्तव्य दे तो हम यह मानकर चलेंगे कि सरकार इसको गंभीरता से नहीं ले रही है। ...*(व्यवधान)*...