

LOK SABHA

SYNOPSIS OF DEBATES (Proceedings other than Questions & Answers)

Tuesday, September 15, 2020 / Bhadrapada 24, 1942 (Saka)

STATEMENT BY MINISTER

Re: Developments on our borders in Ladakh.

THE MINISTER OF DEFENCE (SHRI RAJ NATH SINGH) : Today I rise to brief this august House about the development on our eastern borders in Ladakh. You are aware that our Hon'ble Prime Minister Shri Narendra Modi ji had visited Ladakh and met our brave soldiers to convey the message of solidarity of the Nation behind their every action. I too have spent some time with our soldiers in Ladakh and I want to tell you that I have felt their indomitable courage, gallant and valor. As you are aware that Col Santosh Babu, along with his 19 brave soldiers, made the supreme sacrifice in the cause of defending the territorial integrity of India. Hon'ble Speaker, this House has paid homage to them by observing two minutes silence yesterday.

I would like to take some time first to briefly provide some details of our boundary issue with China. As the House is aware, India and China are yet to resolve their boundary question. China does not accept the customary and

traditional alignment of the boundary between India and China. We believe that this alignment is based on well-established geographical principles confirmed by treaties and agreements, as well as historical usage and practice, well-known for centuries to both sides. The Chinese position, however, is that the boundary between the two countries has not been formally delimited, that there exists a traditional customary line formed by the extent of jurisdiction that they claim was exercised historically by each side, and that the two sides have different interpretations of the position of the traditional customary line. The two countries had engaged in discussions during 1950s-60s but these efforts could not yield a mutually acceptable solution.

As the House is aware, China continues to be in illegal occupation of approximately 38,000 sq. kms in the Union Territory of Ladakh. In addition, under the so-called Sino-Pakistan 'Boundary Agreement' of 1963, Pakistan illegally ceded 5,180 sq. km. of Indian territory in Pakistan Occupied Kashmir to China. China also claims approximately 90,000 sq. kms. of Indian territory in the Eastern Sector of the India-China boundary in Arunachal Pradesh.

Both India and China have formally agreed that the boundary question is a complex issue which requires patience and have committed to seeking a fair, reasonable and mutually acceptable solution through dialogue and peaceful negotiations. In the interim, the two sides also agree that maintenance of peace and

tranquility in the border areas is an essential basis for the further development of bilateral relations.

I would like to mention here that as yet there is no commonly delineated Line of Actual Control (LAC) in the border areas between India and China and there is no common perception of the entire LAC. Therefore, in order to ensure peace and tranquility in the border areas, especially along the Line of Actual Control (LAC), the two countries have concluded a number of agreements and protocols.

Under these agreements, the two sides have agreed to maintain peace and tranquility along the LAC without prejudice to their respective positions on the alignment of the LAC as well as on the boundary question. It is on this basis, that our overall relations also saw considerable progress since 1988. India's position is that while bilateral relations can continue to develop in parallel with discussions on resolving the boundary question, any serious disturbance in peace and tranquility along the LAC in the border areas is bound to have implications for the positive direction of our ties.

A key element of both the 1993 and the 1996 Agreements is that the two sides will keep their military forces in the areas along the Line of Actual Control to a minimum level. These agreements also mandate that pending an ultimate solution to the boundary question, the two sides shall strictly respect and observe the Line of Actual Control. Furthermore in these agreements, India and China also

committed to clarification and confirmation of the Line of Actual Control to reach a common understanding of the alignment. Thus, in late 1990s and upto 2003, the two sides engaged in an exercise to clarify and confirm the LAC. But, thereafter the Chinese side did not show a willingness to pursue the LAC clarification exercise. As a result, there are some areas where the Chinese and Indian perceptions of LAC overlap. In these areas, as also with other sections of the border areas, the various agreements govern the manner in which troops of both sides should operate and deal with situations of face-offs to maintain peace and tranquility.

Before I apprise the House of the current developments, let me inform that the Government has an elaborate and time tested coordination mechanism amongst different intelligence agencies including intelligence units of the Central Police Forces and the three armed forces. The technical and human intelligence is continuously gathered in a well coordinated manner. It is shared with the armed forces which help them in taking decisions.

Let me now apprise the House of the developments this year. Since April, we had noticed a buildup of troops and armaments by the Chinese side in the border areas adjacent to Eastern Ladakh. In early May, the Chinese side had taken action to hinder the normal, traditional patrolling pattern of our troops in the Galwan Valley area, which resulted in a face-off. Even as this situation was being addressed by the Ground Commanders as per the provisions of our bilateral

agreements and protocol, in mid-May the Chinese side made several attempts to transgress the LAC in other parts of the Western Sector. This included Kongka La, Gogra and North Bank of Pangong Lake. These attempts were detected early and consequently responded to appropriately by our armed forces.

We made it clear to the Chinese side both through diplomatic and military channels that China was, by such actions, attempting to unilaterally alter the status quo. It was categorically conveyed that this was unacceptable.

Given the growing friction along the LAC, the Senior Commanders of the two sides in a meeting on June 6, 2020 agreed on a process of disengagement that involved reciprocal actions. Both sides also agreed to respect and abide by the LAC and not undertake any activity to alter the status quo. However in violation of this the Chinese side created a violent face off on June 15th at Galwan. Our brave soldiers laid down their lives and also inflicted costs including casualties on the Chinese side,

The conduct of our armed forces throughout these incidents shows that while they maintained “Sayyam” in the face of provocative actions, they also equally displayed “Shaurya” when required to protect the territorial integrity of India. I would like the House to join me in recognizing the courage and valour of our soldiers, who undergo immense hardship in the most difficult conditions to keep us all safe and secure.

While no one should doubt our determination to safeguard our borders, India believes that mutual respect and mutual sensitivity are the basis for peaceful relations with neighbours. As we want to resolve the current situation through dialogue, we have maintained diplomatic and military engagement with the Chinese side. In these discussions, we have maintained the three key principles that determine our approach: (i) both sides should strictly respect and observe the LAC; (ii) neither side should attempt to alter the status quo unilaterally; and (iii) all agreements and understandings between the two sides must be fully abided by in their entirety. The Chinese side, on its part, took the position that the situation should be handled in a responsible manner and ensure peace and tranquility as per bilateral agreements and protocol.

Even as these discussions were going on, the Chinese side again engaged in provocative military manoeuvres on the night of 29th and 30th August in an attempt to change the status quo in the South Bank area of Pangong Lake. But yet again, timely and firm actions by our armed forces along the LAC prevented such attempts from succeeding.

As is clear from these events, the Chinese actions reflect a disregard of our various bilateral agreements. The amassing of the troops by China goes against the 1993 and 1996 Agreements. Respecting and strictly observing the Line of Actual Control is the basis for peace and tranquility in the border areas and explicitly recognized in both 1993 and 1996 agreements. While our armed forces abide

scrupulously by it, this has not been reciprocated by the Chinese side. Their actions have led to face-offs and frictions from time to time along the LAC. As I mentioned earlier, the agreements have detailed procedures and norms to deal with the situation of face-offs. However, in the recent incidents, this year, the violent conduct of Chinese forces has been in complete violation of all mutually agreed norms.

As of now, the Chinese side has mobilized a large number of troops and armaments along the LAC as well as in the depth areas. There are several friction areas in Eastern Ladakh including Gogra, Kongka La and North and South Banks of the Pangong Lake. In response to China's actions, our armed forces have also made appropriate counter deployments in these areas to ensure that India's security interests are fully protected. The House should have full confidence that our armed forces will always rise to the challenge and do us all proud. This is still an ongoing situation and obviously involves sensitive operational issues. I would, therefore, not be able to give more details in public and I am confident about the understanding of the House in this regard.

This rapid deployment by our armed forces including ITBP has taken place in a challenging time of COVID-19. Their efforts need to be appreciated. It has also been made possible by the high importance that the Government has placed for developing border infrastructure in the last few years. The House is aware that over the last many decades, China had undertaken significant infrastructure

construction activity that enhanced their deployment capabilities in the border areas. However, in response, our Government too has stepped up the budget for border infrastructure development to about double the previous levels. As a result, more roads and bridges have been completed in the border areas. This has not only provided much needed connectivity to the local population, but has also provided better logistical support for our armed forces, enabling them to be more alert in the border areas and respond more effectively where required. In the coming years too, the Government remains committed to this objective.

I would like to emphasize that India remains committed to resolving the current issues in our border areas through peaceful dialogue and consultations. It was in pursuit of this objective that I met my Chinese counterpart on 4th September in Moscow and had an in-depth discussion with him. I conveyed in clear terms our concerns related to the actions of the Chinese side, including amassing of large number of troops, their aggressive behavior and attempts to unilaterally alter the status quo that were in violation of the bilateral agreements. I also made it clear that even as we wanted to peacefully resolve the issue and would like the Chinese side to work with us, there should also be no doubt about our determination to protect India's sovereignty and territorial integrity. My colleague, Shri Jai Shankar, the External Affairs Minister, has thereafter met the Chinese Foreign Minister in Moscow on 10th September. The two have reached an agreement that, if implemented sincerely and faithfully by the Chinese side, could

lead to complete disengagement and restoration of peace and tranquility in the border areas.

As the Members are aware, in the past too we have had situations of prolonged stand-offs in our border areas with China which have been resolved peacefully. Even though the situation this year is very different both in terms of scale of troops involved and the number of friction points, we do remain committed to the peaceful resolution of the current situation. At the same time, the House can be assured that we remain prepared to deal with all contingencies.

This House has had a glorious tradition that whenever the country is faced with a challenge, this House has always exhibited its strength and unity towards the resolve and determination of our Armed Forces. This House has also reposed its full confidence in the indomitable spirit, gallantry and bravery of our Armed Forces deployed on our borders.

I can assure you that the morale and motivation of our Armed Forces is very high. The reassuring visit by our PM has ensured that our commanders and soldiers understand that the entire nation stands behind them in support of the just cause of defending our territorial integrity. They are accordingly being provisioned with suitable clothing, habitat and the required defence wherewithal. The determination of our troops is praise-worthy. They are capable of serving at forbidding altitudes with scarce oxygen and in extremely cold

temperatures, something that they have effortlessly done over the last many years on Siachen and Kargil.

I will not hesitate to share with this august House that we are facing a challenge in Ladakh and I urge the House to pass a resolution in support of our Armed Forces who have been defending our motherland at great heights and most inclement weather conditions in Ladakh for our safety and security. This is a time when this august House has to come together and reiterate confidence and faith in the valour of the brave armed forces and support them in the mission that they have undertaken to protect the territorial integrity of our motherland.

OBSERVATION BY THE SPEAKER

HON'BLE SPEAKER: The Members sought clarificatory questions from the Minister of Defence on the Statement made by him regarding Development on our borders in Ladakh.

As per rule 372 of the Rules of Procedure and Conduct of Business in Lok Sabha, no clarificatory questions are permitted after a statement is made by a Minister.

***MATTERS UNDER RULE 377**

- (1) **SHRI SUMEDHANAND SARASWATI** laid a statement regarding need to ensure full procurement of farm produce at Government procurement centres in Sikar Parliamentary Constituency, Rajasthan.
- (2) **SHRI ASHOK KUMAR RAWAT** laid a statement regarding need to ensure construction of solar plant by NTPC as per specified norms in Misrikh Parliamentary Constituency, Uttar Pradesh in time bound manner.
- (3) **SHRI JAGDAMBIKA PAL** laid a statement regarding need to transfer one Buddha 'asthi kalash' on display in National Museum, Delhi to National Museum, Piparhawa in Sidhharthnagar district, Uttar Pradesh.
- (4) **SHRI MANOJ KOTAK** laid a statement regarding need to run 15-coach local trains on Mumbai suburban railway network.
- (5) **SHRI ARJUNLAL MEENA** laid a statement regarding need to extend the benefit of Pradhan Mantri Awas Yojana to all the tribal families in Udaipur Parliamentary Constituency, Rajasthan.
- (6) **SHRI SUBHASH CHANDRA BAHERIA** laid a statement regarding need to complete construction of MDR-56 in Bilwara Parliamentary Constituency, Rajasthan from Central Road Fund.

* Laid on the Table as directed by the Chair.

- (7) **SHRI C. P. JOSHI** laid a statement regarding need to establish a medical college in Pratapgarh district in Chittorgarh Parliamentary Constituency, Rajasthan.
- (8) **SHRIMATI ANNPURNA DEVI** laid a statement regarding need to provide ownership rights of land to people relocated due to Tilaiya dam of Damodar Valley Corporation.
- (9) **SHRI DHARAMBIR SINGH** laid a statement regarding need to provide compensation to cotton and moong farmers of Bhiwani-Mahendragarh Parliamentary Constituency, Haryana who suffered crop loss due to scanty rain and pest attack.
- (10) **SHRI DEVAJI PATEL** laid a statement regarding need to introduce flight from Sirohi district, Rajasthan.
- (11) **SHRIMATI MALA RAJYA LAXMI SHAH** laid a statement regarding need to lay railway line between Dehradun station and Kalsi in Tehri Garhwal Parliamentary Constituency in Uttarakhand.
- (12) **SHRI PANKAJ CHAUDHARY** laid a statement regarding need to establish a Kendriya Vidyalaya in Maharajganj Parliamentary Constituency, Uttar Pradesh.
- (13) **DR. NISHIKANT DUBEY** laid a statement regarding construction of Deoghar-Pirpainti via Godda Railway Line.

- (14) **SHRI BENNY BEHANAN** laid a statement regarding privatization of Thiruvananthapuram international Airport.
- (15) **SHRI V. K. SREEKANDAN** laid a statement regarding internet connectivity issues in Palakkad, Kerala.
- (16) **SHRI DNV SENTHILKUMAR S.** laid a statement regarding construction of tar road in Salem District, Tamil Nadu.
- (17) **PROF. SOUGATA RAY** laid a statement regarding release of pending GST compensation to States.
- (18) **SHRI SANJAY JADHAV** laid a statement regarding need to establish a Cotton University and a Cotton Processing industry in Parbhani Parliamentary Constituency, Maharashtra.
- (19) **DR. ALOK KUMAR SUMAN** laid a statement regarding need to take flood control measures in Gopalganj Parliamentary Constituency, Bihar.
- (20) **SHRI RAMSHIROMANI VERMA** laid a statement regarding need to provide adequate financial assistance or relief package to farmers distressed due to loss of their crops caused by floods in Shrawasti Parliamentary Constituency, Uttar Pradesh.
- (21) **SHRI JAYADEV GALLA** laid a statement regarding amendment to Atrocities Act.

- (22) **SHRI N.K. PREMACHANDRAN** laid a statement regarding need to protect the fishing hub of Kollam Parappu (Quilon Bank).
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STATUTORY RESOLUTION

Re: Disapproval of Salary, Allowances and Pension of Members of Parliament

(Amendment) Ordinance, 2020 (No. 3 of 2020)

And

THE SALARY, ALLOWANCES AND PENSION OF MEMBERS OF

PARLIAMENT (AMENDMENT) BILL, 2020

ADV. DEAN KURIAKOSE moved that this House disapproves of the Salary, Allowances and Pension of Members of Parliament (Amendment) Ordinance, 2020 (Ordinance No. 3 of 2020) promulgated by the President on 7th April, 2020.

THE MINISTER OF PARLIAMENTARY AFFAIRS; MINISTER OF COAL AND MINISTER OF MINES(SHRI PRALHAD JOSHI) moved that the Bill further to amend the Salary, Allowances and Pension of Members of Parliament Act, 1954, be taken into consideration.

ADV. DEAN KURIAKOSE *initiating said:* Even though, the salaries and allowances of an MP is comparatively less than higher-level Government officers,

yet we need to set an example by contributing our salaries for supporting the Government initiatives in the fight against covid-19. At the same time, we cannot ignore the fact that we have not succeeded in preventing this disease. We have to find out where our policies and systems have failed. If the Government would rather reduce the unnecessary expenditure and mobilize its revenue, then a far better economic package could have been procured. It is very sad at this time that MPLADS has also been stopped without any consultation or prior information. If the MPLADS funds are not frozen, we could have utilized this fund for purchasing medical equipment and for providing infrastructure facilities. In my strong opinion, the MPLADS must be brought back and money saved from reducing the salary cut must also be added to that.

SHRI VIJAY BAGHEL: We all have the opportunity to create history once again through this Bill. After the outbreak of the Corona epidemic in the country, all the hon. Members and along with them, a lot of social institutions and people also joined the service of the people according to their strengths and capabilities. We are fortunate that under the able leadership of Hon'ble Prime Minister, every State was provided support and money was paid directly into the people's account. Despite the extreme circumstances, we have been more able to prevent this epidemic than other countries. This is an outcome of coordinated effort from all of us. We all believe that collective cooperation and collective prayer have a lot of strength. The amount collected from all of us MPs have been given as the

contribution on the part of all of us. People from all sections of the country have also endeavoured to contribute to the Prime Minister's Care Fund.

DR. KALANIDHI VEERASWAMY: The Government is saying that it is going to be cutting the salaries of MPs through this Bill. I would say that even if you are going to cut Rs. 1,00,000 per MP, there are about 800 MPs, we are talking about Rs. 8,00,000 per month, which amounts to less than Rs. 100 crore a year and about Rs. 500 crore in five years. So, I would say there are other ways also to mobilize fund that can be used for combating covid and combating the economic crisis. The other issue is that the MPLAD Fund has been cut. It is the people's fund which has been provided for by the Constitution of India. My Constituency North Chennai has one of the highest number of covid cases and covid deaths. In spite of that, if MPLAD Fund is taken, who is going to be taking care of all these things. In fact, I think the Government should have enhanced the MPLAD Fund and should have made it Rs. 10 crore per MP instead of Rs. 5 crore, in order to combat the economic and health crisis which are there in each and every Constituency in the country. So, I would urge the Government to speak to an economist and find out how to solve this crisis.

SHRI P.V. MIDHUN REDDY: Our Party supports this Bill to reduce the salaries but we have very strong objections and reservations against suspension of MPLAD Funds for the next two years. We have already given sanctions for a lot of works and a lot of people are approaching us for small works also which we are

not able to fulfil. We want the Government to permit the MPLADS and we also want the Government to increase the MPLADS during this time of the pandemic. So, we request the Government to rethink and reconsider the suspension of MPLADS.

PROF. SOUGATA RAY: I support this Bill. In fact, I would like even to deduct more. So, instead of 30 per cent, I have proposed 35 per cent. But what I am saying that take away all our salary but give us MPLADS fund. The Government cannot deduct MPLADS fund. We were doing small works in our constituency, which is the demand of the people of the constituency. I sanctioned Rs. 50 lakh to a newly setup covid hospital in my constituency. That money has not yet gone to the District Magistrate from the Centre. This is most unfortunate. If the Government want to save money for the COVID patients then whatever money Government spend is good. But MPLADS should be kept.

SHRI PINAKI MISRA: I think this House is in one voice to say that everybody support this Bill. This is a token gesture but it is an important token gesture on part of the MPs to show that we are prepared to be personally frugal in the time of grave need for this country. Now what we are seeing is a cutback with these MPLAD funds being taken away. I believe this is disempowering MPs. When we were hoping a slight escalation upto Rs. 7 crore or Rs. 10 crore, this has now been completely done away with. I believe the Government take very serious reconsideration of this. I say that MPLAD must be reinstated.

SHRI MALOOK NAGAR: I support this proposal on behalf of my party, but I have to say that it is good to reduce the salaries of the MPs, but the MPLAD should continue. This is the only fund through which we have to build roads for the people and work for the poor. I would like to ask that what will we do when this money is suspended? I think the Government can raise a lot of money by removing the deficiencies in the schemes. Therefore, I urge that the Government should reconsider this decision in the interest of the country and the poor people.

SHRI SHRIRANG APPA BARNE: Maharashtra State is most affected by corona. A number of industrialists and companies have deposited CSR in Maharashtra. They can contribute funds in the PM CARES FUND but they cannot contribute their CSR fund to the CM fund. Had they contributed their funds to CM fund instead of PM fund then the affected states would have been able to provide corona treatment holistically.

SHRI NAMA NAGESWARA RAO: Reduction of 30 per cent in the salaries of the MPs is nothing in comparison to the problems faced by the entire world due to Covid-19. Even the poorest of the poor has extended a helping hand to his neighbour in the country. MPLADS fund has been suspended for two years. The Government should reconsider it and revive it with a positive approach.

SHRIMATI SUPRIYA SADANAND SULE: I agree with the sense of the House and we are all in one voice supportive to it. Our salary cut is probably a drop in ocean. The cost of Central Vista Project is Rs. 20,000 crore and you are

saving Rs. 10,000 crore from our MPLADS to build a building which we are not asking. Why this Government is not reducing its expenditure to make sure that the cost come down? Why the Prime Minister's National Relief Fund needs to be superseded by PM CARES Fund? They are reducing subsidies. Globally, the price of crude oil is going down. But in India, the prices of petrol and diesel are going up.

ADV. A. M. ARIFF: I fully agree with the proposed amendment to reduce the salary and other allowances of the Members of Parliament. As the entire country is grappling with the COVID-19 pandemic, I believe it is the responsibility of each of us to support the steps taken to find resources for stopping this unprecedented pandemic. At the same time, I oppose the suspension of MPLADS scheme for two Financial Years.

SHRI JAYADEV GALLA: It is very appropriate that all MPs accept the reduction in our salaries. Our Party-the Telugu Desam Party- fully support this. But in addition to salary cuts, Government expenditure also needs to be carefully reviewed. I fully support the sense of this House that MPLADS should not be touched, if not enhanced. During this crisis, it is very much required.

SHRI THOMAS CHAZHIKADAN: Actually the sense of the House is in support of the Bill but against the withdrawal of MPLAD funds which can be utilised for the development of infrastructure in the healthcare sector. The

Government should withdraw its decision to construct a massive building for Parliament. I support this Bill and demand that MPLADs should be restored.

SHRI BHAGWANT MANN: I support this Bill. Our salaries may be reduced by 60 or 70 per cent instead of 30 per cent, we have no problem in that but withdrawal of MPLADS fund is not appropriate. At least the people who have deposited tax in our Lok Sabha constituencies should get it back. The MPLADS fund amount which is Rs. 5 crore per year at present should be increased to Rs. 25 crore.

SHRI E. T. MOHAMMED BASHEER: As far as our salaries and allowances are concerned, the Government can go to any extent in making the cuts. We have no problem in that. At the same time, restoration of the MPLADS is the need of the hour.

SHRIMATI NAVNEET RAVI RANA: MPLADS funds are very important for us because the people have elected us from our constituencies with huge hopes. They have more right on it than us. This right should be given to us. You can take our full salary but please don't take our fund and the right of our people from us. I support this Bill.

SHRI SYED IMTIAZ JALEEL: MPLADS fund is a fund which is used for the development of local area. I want to ask the Government what we will do in these two years? You can deduct any amount from our salary but we should get this right to spend funds in our constituency.

SHRI ADHIR RANJAN CHOWDHURY: I hail from a district belonging to backward section where we get to see poverty and hunger every year. When people ask something to be done for them then the only resort available to us is MPLADS. Out of the MPLADS fund, 15 per cent is spent for the SCs, 7.5 per cent for the STs and 83 per cent for the villages. You can deduct our salary but you are also reducing the tax of Corporates which was an opportunity to save money but you have lost that too. I humbly request you to revive the MPLADS because the entire House is in its favour.

***SHRI GIRISH BHALCHANDRA BAPAT:**

SHRI RITESH PANDEY: I support this Bill on behalf of Bahujan Samaj Party. I believe that it is appropriate to provide support from the MPs to the country in this crisis. I would just like to know whether Rs. 5 crore from our MPLADS fund are being spent in our constituencies. Petrol prices have been falling globally but the benefit of this has not been given to the farmers and poor in the country at all.

SUSHRI MAHUA MOITRA: The MPLADS is perhaps the only thing where MPs are directly accountable to their constituents. By taking this away, I think, the Government is doing the country a great disservice. I would request the Government to reinstate MPLADS.

* Please see supplement.

SHRI PRALHAD JOSHI *replying said:* The scope of this Bill is regarding the reduction of 30 per cent salaries of the Members. All the Members have supported this Bill, and I am thankful for that. Many Members have said on this occasion that this is very unprecedented. I would only like to say that we are passing through extraordinary time and we need to take some extraordinary decisions. Regarding MPLAD Fund, I would like to inform that this is only temporary measure for two years. That has been made clear.

The Resolution was negatived .

The Bill was passed.

STATUTORY RESOLUTION

Re: Disapproval of Essential Commodities (Amendment) Ordinance, 2020

(Ordinance No. 8 of 2020)

And

THE ESSENTIAL COMMODITIES (AMENDMENT) BILL, 2020

PROF. SOUGATA RAY moved that this House disapproves of the Essential Commodities (Amendment) Ordinance, 2020 (Ordinance No. 8 of 2020) promulgated by the President on 5th June, 2020.

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION(SHRI DANVE

RAOSAHEB DADARAO) moved that the Bill further to amend the Essential Commodities Act, 1955 be taken into consideration.

PROF. SOUGATA RAY *initiating said:* The Essential Commodities Act gave power to the State Government to regulate the trade including imposing stock limits for various intermediaries. Now, the Government wants to take away the powers of the State Government to regulate and fix stock limits. We have to remember that India is still dependent on the monsoon for producing sufficient foodgrains. A majority of farm holding in India is small and marginal. That is why, an Essential Commodities Act must still be in place and all regulations must not be given up and opened to the market. Our policies must ensure sustainable farm growth taking into consideration factors like climate change, landholdings, consumer capacity and the farmers' interests.

SHRI P. P. CHAUDHARY: This Bill is a visionary step by the Government and it is likely to benefit not only the farmers but the consumers also in the coming future. This Bill will play a big role in the agricultural reforms. The Government has taken a number of measures with regard to the pre-harvesting of crops but the management of the post-harvesting operations is not visible. The Government has provided rupees one lakh crore for the post-harvesting management but the Essential Commodities Act 1955 has hampered the optimum use of this large amount.

Agro-sector has, for long, been reeling under lack of investment and more so, when it comes to post-harvesting season. No investor is actually coming forward for the reasons of a slew of regulations made at different points of time leading to huge deleterious impact on none other than the naive consumers and farmers. Thanks to this amendment now the farmers would be enabled to go for marketing and would be able to sell their produce anywhere reaping the potential benefits to the tune of nearly 25-30 per cent. Their bargaining power shall go up. The commodities covered in Section 1(a) abound in our country giving a sense of self-reliance. In such a scenario, if we tend to exercise further control over them, our infrastructure and post-harvesting management would collapse. The more bottlenecks are in the post-harvesting system, the more sufferings would be engendered for the farmers and the consumers. Those raising the issue of price escalation must understand the truth of the fact that the existing laws miserably fail to contain the element of price escalation. Given that, insertion of Section 3(a) is quite appropriate. Price stability provided in the Essential Commodities Act subject the farmers as well as consumers to huge loss. Stock limit is being removed that would enable us to actualize the mission of 'One Nation, One Market' with all the more strength. Until and unless our post-harvesting management is bolstered, we will not be able to benefit the farmers and consumers. In fact, this amendment causes a balance among the interests of various stakeholders. With the doing away with an era of excessive regulations, people's

faith in governance shall enhance. In the colonial structure, farmers' produce is subject to bidding in the market where sellers are far less in number *vis a vis* prospective buyers. Clearly, this mismatch results in huge losses to the farmers. Investors shall make a foray into the cold storage and warehousing leading to the inclusive development and progress of every citizen including women, the destitute, SCs and STs.

DR. AMAR SINGH: I oppose this Bill. Small and marginal farmers are usually left with meager amount of surplus produce which is not stored by them for a long period and they are inclined to go for procurement with the change of season. With provisions made in this Bill, all the people shall be covered therein and will have to reel under an ecosystem of price rise. Besides, the power of States has been reduced to the nil in this Bill. In a way, the prices to prevail in six lakh villages shall be controlled by someone sitting in Delhi and unless the price of commodities rises by hundred per cent even the Central Government shall not intervene. In view of seasonal variation, it is a gross mistake. None but the corporate and multinational companies are going to be benefitted from it as they are equipped with the mechanism to store the commodities for a longer period and are likely to sell them at higher price in the event of their being scarce. The Government of Punjab and many other political parties passed a resolution against all the three Ordinances as they are not in the farmers' interest. Earlier on too, while the NDA Government came to power way back in 2002, similar steps had

been taken and stock limit had been removed. Ultimately, the nation had to bear its brunt. 'PM Asha' scheme contained three sub schemes which were also designed to boost private investment.

SHRI KALYAN BANERJEE: De-regulating agricultural foodstuffs from the list of essential commodities will lead to every chance of hoarding than by supplying, thereby resulting in price rise in retail, and ultimately leading to excessive financial burden on the part of common people. Besides, extraordinary circumstances of 'war' and 'natural calamity' are fraught with ambiguity and open to interpretation as per the convenience of the power that be at the given point of time. Exemption of the processor of value chain participant of agriculture produce from the regulation of stock limit is designed to benefit certain vested giants in this sector. Because of the amendments, the middle man will come and would reap maximum benefits by indulging in hoarding.

SHRI D.M. KATHIR ANAND: This is a great moment for me to address the Parliament on the 112th Birth Centenary of the founder of DMK Party. C.N. Annadurai. I pay my tributes to him. By taking the Ordinance route, a clear attempt was made to bypass the Parliamentary process. A critical legislation like this should certainly have been brought to Parliament previously. The Ordinance does not define the term 'extraordinary circumstances'. Drastic changes such as the removal of stock limits and exemption to exporters/traders and value chain participants may not help farmers directly. The Government has to explain and

give a detailed list to the Parliament as to what products propose to be covered under which category. Another issue is regarding the installed capacity. Farming needs to be made economically and ecologically viable in India for any real progress for farmers. More focus on the establishment of cold storages is necessary. I urge the Government to send this Bill to the Select Committee.

***DR. SANJEEV KUMAR SINGARI:**

SHRI RAHUL RAMESH SHEWALE: The prime objective of the Essential Commodities (Amendment) Bill, 2020 is to regulate the production, supply, distribution, trades and commerce of the essential commodities through administrative action. During the pandemic crisis of Corona, the Government has put the face masks and the sanitizers under the Essential Commodity Act. I applaud the Government for it. During the crisis, the conditions go out of control, stock holding is increased and it becomes impossible for the Government to have effective control on the prices. During the period of crisis, the Government has to face all the resentment of the people. However, it has also been observed that at times the entry of private players in the agriculture marketing through administrative actions, distorts the situation. Recently, export of onions has been stopped which will impact the farmers adversely. I would, therefore, request the Government to further strengthen this law so as to have effective control on the prices and stock holding during the period of any crisis.

* Please see Supplement

SHRI KAUSHLENDRA KUMAR: The Essential Commodities (Amendment) Bill, 2020 is an important Bill. This will be a far sighted step in regard to agricultural reforms and increase in farmers' income. This will be helpful in the efforts being made by the NDA Government to double the income of farmers. This will also be beneficial in increasing investment, stabilization of prices, regulation of food items and implementing Public Distribution System. This law will be effective in regulating price of every item. I support this Bill.

SHRI BHARTRUHARI MAHTAB: The agricultural markets are overstrained by a web of outdated laws. There is a very little investment in cold storage, warehouses, processing and export because entrepreneurs get discouraged by the regulatory mechanisms. This amendment to Essential Commodities Act will remove many restrictions and therefore it will be welcomed. I would urge the Government that while liberalizing the regulatory environment, it has to ensure that interests of farmers and consumers are safeguarded. This reform will increase agriculture productivity and improve food markets. Do not confuse this with the increase of farmers' income. This policy change is for agriculture and not for farmers. The Government should have done away with export restrictions on agricultural commodities. I support the Bill.

KUNWAR DANISH ALI: This Bill is totally anti-farmer and is beneficial for middlemen and hoarders. Sugarcane farmers are not getting export subsidy for the last three years. Whether they will be self-reliant by this step? The result of

converting calamity into opportunity is that now Public Sector Undertakings are being sold. When even Urea is not being made available to the farmers, how the incomes of farmers will be doubled. I would like to urge upon the Government to reconsider this anti-farmer Bill.

SHRI KOTHA PRABHAKAR REDDY: The Government just does not know the stocks which are held by the private sector. Hence, production of each and every item must be put in public domain. The surplus of agricultural products is marginal in some regions and high in some other regions. The private traders hoard these products with the intention of creating maximum profits. So as to minimize these imbalance, the Government should take precautionary measures. I request the Union Government to purchase more items produced by farmers. Our State is the largest producer of turmeric in the country. Telangana Government is demanding the formation of Turmeric Board which was promised by the BJP Government during the 16th Lok Sabha. With these words, I conclude my speech.

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SNEHLATA SHRIVASTAVA
Secretary General

**Supplement covering rest of the proceedings is being issued separately.

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NOTE: It is the verbatim Debate of the Lok Sabha and not the Synopsis that should be considered authoritative.

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