

working at a distance of 50—60 kms has not been able to look after the situation. Under the circumstances, it has no right to rule the country.

Since there was limited time, I could not speak much. U.P. is a very large State. I do not support the Bill that has been presented here. Injustice is being done to U. P. State.

[English]

MR. CHAIRMAN: Now, the Minister of Finance may reply to the debate.

SHRI ATAL BIHARI VAJPAYEE: Sir, I understand that the Minister of State in the Ministry of Home Affairs is ready with a Statement on Delhi. If that is so, you may ask the Statement to be made first and the reply can come afterwards.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHARA MURTHY): Sir, I have no objection.

18.14 hrs.

### STATEMENTS BY MINISTERS— *Contd.*

(ii) Payment of lumpsum amount to the local bodies in the Union Territory of Delhi as Compensation for the loss of revenue due to abolition of Terminal Tax.

[English]

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS (SHRI P. M. SAYEED): In July 92 the Government had taken a decision to abolish Terminal Tax in the Union Territory of Delhi. It was also decided that a lumpsum grant would be allocated by the Government to the local bodies in the Union Territory of Delhi to compensate the loss of revenue on account of abolition of the Terminal Tax. It was further decided that a 10% increase in the lumpsum grant paid to the local bodies would be allowed every year keeping in view the expected growth in the tax revenue on this account from year to year. To give effect to the aforesaid decision of the Government, the Delhi Municipal Corporation (Amendment) Ordinance, 1993, was promulgated on 30 January 1993. Thus the Terminal Tax was

abolished in the UT of Delhi with effect from 30 January 93.

The budget estimates for the year 1993-94 were already finalised by the time the ordinance was issued for giving effect to abolition of the Terminal Tax in Delhi. Therefore, proposals for giving a lumpsum grant to the local bodies in Delhi in lieu of the loss of revenue on account of abolition of the Terminal Tax could not be included in the budget estimates for 1993-94.

On 10 August 93, the Delhi Administration gave detailed information about the amount to be paid to the Delhi Municipal Corporation including the head of account under which the expenditure was to be booked. They also sought permission of the Ministry for payment to the local body. They have been allowed to do so.

It is proposed to make a provision for the payment of lumpsum grant in the Central Budget at the stage of revised estimates. The release of assistance by the Delhi Administration will help the Municipal Corporation in meeting its cashflow crunch.

SHRI MANORANJAN BHAKTA (Andaman and Nicobar Islands): Chairman, Sir, I would like to request the Hon. Leader of Opposition to persuade the four Members of Parliament, who are on hunger strike, to end their fast in view of the strong Statement made by the Minister.

SHRI ATAL BIHARI VAJPAYEE (Lucknow): But the statement is silent on the total amount to be given to the Corporation .....[*Interruptions*].....

SHRI P. M. SAYEED: They will be compensated. That is already there.

SHRI ATAL BIHARI VAJPAYEE: That is what you said.

SHRI P. M. SAYEED: You go through it.

SHRI ATAL BIHARI VAJPAYEE: All right, I will convey your feelings to the Hon. Members who are on fast.

[*Translation*]

SHRI MANORANJAN BHAKTA: You should pursue it a little bit. Do not do like that?