

involved directly, Financial Memorandum is not absolutely needed.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): I think, after the hon. Minister's clarification that no financial expenditure is really involved. ..

SHRI ERA SEZHIYAN: It is involved.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): If you mean, by implication, it is a different proposition. Of course, the hon. Minister has said, by implication, it may come about. But he does not know. Since, on the face of it, it is not there, I will put the Motion to vote.

Now, the question is:

"That leave be granted to introduce a Bill further to amend the Indian Iron and Steel Company (Acquisition of Shares) Act, 1976."

*The motion was adopted.*

SHRI PRANAB KUMAR MUKHERJEE: Sir, I introduce the Bill.

#### **THE PENSION'S (AMENDMENT) BILL, 1981**

THE MINISTER OF STATE IN THE MINISTRY OF HOME AFFAIRS AND DEPARTMENT OF PARLIAMENTARY AFFAIRS (SHRI P. VENKATASUBBAIAH): Sir, with your permission, I move:

"That the Bill further to amend the Pensions' Act, 1871, be taken into consideration."

Sir, the Pensions Act, 1871 (Act No. 23 of 1871) provides for the consolidation and amendment of the law relating to pensions and grants by Government of money or land revenue. The Act envisages protection of pensions against seizure, attachment or sequestration of pension by process of any court at the instance of a creditor. Certain infirmities in

the working of this Act have been noticed. Government has now taken the opportunity to remedy the defects and to effect improvements in the working of the Act. I propose to deal with the salient features of this Bill.

It is not possible at present for a pensioner to nominate someone to receive payment of arrears of pension remaining undrawn at the time of the death of the pensioner. Government have been receiving representations from organisations of pensioners and from others on their behalf asking for the facility of nomination on the ground that undue hardship is caused to already grief-stricken, sometime helpless, and mostly ignorant families. The heirs of the pensioner are put to undue hardship as they have to obtain succession certificates for the purpose of claiming such arrears. In most cases, the time, trouble and expense involved in obtaining a succession certificate is not commensurate with the paltry amount which the heirs would get. In order to alleviate the distress of such persons, the Government have decided to insert a new section—section 12A—to enable pensioners to make nominations so that moneys outstanding on account of pension could be received by the nominees.

The nominee shall be entitled, on the death of the pensioner, to receive, to the exclusion of all other persons, all such moneys which have remained unpaid. But if the nominee predeceases the pensioner, the nomination shall, so far it relates to the right conferred upon the nominee, become void and will have no effect. Care has, however, been taken to provide in this Bill that where provision has been duly made in the nomination in accordance with the rules made by the Central Government, conferring upon some other person the right to receive all such moneys which have so remained unpaid, in the event of the nominee predeceasing the pensioner, such right shall pass to such other person.

[Shri P. Venkatasubbaiah.]

It is also proposed to confer powers on the Central Government to make rules regarding the manner and form in which nominations may be made. The power to make such rules has been provided in the proposed section 15 of the Act. Opportunity has also been taken to incorporate a provision in the Act for laying the rules made under the Act by or with the consent of the Central Government, before each House of Parliament.

One other feature of the Bill is to introduce a provision for amending section 1 of the Act. At present, section 1 of the Pensions' Act, 1971, reads as follows:

"This Act may be called the Pensions' Act, 1871. It extends to the whole of India except the territories which immediately before the 1st November, 1956, were comprised in Part 'B' States."

Government has taken this opportunity to make this amendment of section 1 of the Act so that the provisions of the Act in so far as they relate to Union pensions extend to the whole of India. This will benefit the Union pensioners in the erstwhile Part 'B' States. Clause 2 of the Bill seeks to achieve this object.

I hope that these measures which are being brought forth besides being welcomed by this House, will give protection and much needed relief which we have in mind to all pensioners and their families.

Sir, with these words, I beg to move the Bill for consideration of this House.

*The question was proposed,*

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): There is one amendment by Shri Shiva Chandra Jha for reference of the Bill to the Select Committee. But he is not there. The motion is for discussion now. Shri N. P. Nanda.

SHRI NARASINGHA PRASAD NANDA (Orissa): Sir, the long-felt need of bringing about an amendment to the Pensions Act, 1871, is partially fulfilled by this Amendment Bill. As has been explained by the hon. Minister, the Part 'B' States' pensioners did not derive the benefits under the old Act, and by extending it to the whole of India, those pensioners will also come under the provisions of the Pensions Act and the benefits will also accrue to them.

Secondly, Sir, various organisations have been making representations that obtaining succession certificates to get the undrawn amounts of pension in case of death of the pensioners used to take a long time as the procedure under the Indian Succession Act had to be followed which took time. Now a procedure has been laid for nomination in the form prescribed under the rules by the Central Government and that would alleviate to a great measure the suffering so far as the undrawn pension amounts are concerned. That way also, it is welcome.

In this context, I would like to take this opportunity of making one serious point, though that is not strictly linked with the Bill itself. As I said, I am simply availing of this opportunity. Recently, the Government have made several liberal provisions for the benefit of pensioners. But I find that rule 28 of the Pension Rules has been amended and certain benefits have been given to the employees for the purpose of calculation of their pension. But in the case of resignation removal and participation in strike, there is no provision for automatic condonation. I would like the Hon. Minister to consider this question very seriously because participation in strike should not be equated with "resignation" or "removal". This question is also under consideration elsewhere, but I would like the hon. Minister, if he can, to persuade his own Department of Personnel to define what the Ministry means by the words "participation in

strike". It should be qualified by saying "participation in illegal strike". In a strike speaking generally, even if there is one day's stoppage of work, there will be no condonation and the pensioner may forfeit all his past service. That would be a very harsh provision. I am taking this opportunity to bring this point to the notice of the hon. Minister that he may seriously consider whether the present rule 28 clause (1) does not require an amend-ment and reconsideration so that the pensioners derive the benefit which is given to them by virtue of clause (A) of rule 28.

With these words, I welcome this Amendment Bill and also commend it for acceptance by the House.

SHRI DIPEN GHOSH (West Bengal): Sir, I welcome this Bill because it seeks to give certain benefits to the pensioners, particularly in the event of their death, to nominate before hand so that without going through the formalities of obtaining a succession certificate, the nominee can be given the benefit of drawing the undrawn money. But since the Government has proposed to bring certain amendments to the main Pensions Act, I would like to draw the attention of the hon. Minister to the fact that there are certain other provisions in the principal pensions Act which need some modifications and amendments, as my hon. friend, Shri Nanda, has suggested. Similarly, in the case of certain computations of pensions, some discriminations are there between the persons who have retired before a particular date or who will be retiring before a particular date and those who have retired or will be retiring after a particular date. Naturally I would request the hon. Minister to review the principal Pensions Act and bring certain other amendments or modifications so that the inadequacies and discriminations which are there in the Pensions Act can be removed.

Secondly, I want to draw the attention of the hon. Minister to the fact that though some liberalisations have been made, still, in the matter of getting pension after retirement, the actual money, whether it is in the case of those who have served for a full period of service or in case of death, some delay or harassment does take place, and I would request the hon. Minister to see that the pension is paid to the employees retiring from service immediately after their retirement and, in the case of this particular Amendment Bill which seeks to give the right of nomination to the employees before retirement so that, after enjoying the pension, in the event of death their nominees could get the benefit of pension without delay. So, while framing rules under this Amendment Bill, the Government should take care of all these things and, particularly, to ensure that no delay takes place in the payment of pensions.

With these few words, Sir, I once again welcome this Bill and request the hon. Minister to review the other provisions of the main Pensions Act and bring modifications or amendments so as to ensure social justice to the retiring employees.

SHRI M. KALYANASUNDARAM (Tamil Nadu): Sir...

THE VICE-CHAIRMAN (DR. RA-FIQ ZAKARIA): I am sorry, your name is not there.

SHRI M. KALYANASUNDARAM: Why are you refusing permission to me?

THE VICE-CHAIRMAN (DR. RA-FIQ ZAKARIA): Because the name should have been here.

It should have been given before hand. It is a question of time factor. You should have given the name earlier.

SHRI M. "KALYANASUNDARAM: Can't you give me even two minutes?

[Shri M. Kalyanasundaram.] Time is there, unless you want to be very rigid or discriminate against me-

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA); It is not a question of being rigid. You should understand that certain rules of procedure, as far as the time factor is concerned, have to be followed by all of us. If every Member at any time wants to get up and say certain things, we will not be able to conduct the business.

SHRI M. KALYANASUNDARAM:  
You don't generalise like that.

(Interruptions)

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA); All right. You may take two minutes. (Interruptions) This cannot be tolerated, I am very sorry.

SHRIMATI KANAK MUKHERJEE (West Bengal): It is not any Member at any time, Sir.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Now there is no question about it.

SHRI M. KALYANASUNDARAM: Mr. Vice-Chairman, Sir, I only wanted to seek a clarification from the Minister with regard to the term 'nominee'. This is a very simple Bill. It does not liberalise the Pension) Rules. The Government wants to show that they have not 'forgotten the pensioners. The scope of the Bill is only to dispose of the unpaid amount at the time of the death of a pensioner. That is all. That is the scope. Here the term used is "nominate any other person", without any restriction. It is not necessary that one should be a dependent or a close relation or the spouse. It can be anybody. Is that the intention? We have no objection if that is the intention. After all, the money involved may not be much, but this will lead to the pensioner pledging his whole pension to a money-lender. It will lead to such unhealthy practices. So I want to know what the Government has in mind in saying that anybody can be nominated.

SHRI P. VENKATASUBBAIAH: Sir, this is a very simple Bill. The original Act was not applicable to Part B States. So by this amending Bill Part B States are also covered, where the Union Government pensioners are also residing. They were not able to get the legal protection for their pension. The second is about the pensioner nominating a person to receive the unpaid pension after his death. Shri Nanda has raised certain points, though they are not very much relevant to the present Bill. The point raised by him or any suggestions that have been made on the floor of the House can be taken in the Committee on Subordinate Legislation of which he is the Chairman and suitable legislation can be brought. Sir, about the point raised by Shri Kalyanasundaram expressing an apprehension with regard to the pension money being given to a money-lender, I would say that by this amending Bill we are only facilitating the pensioner to nominate a person or persons so that that man or those men may draw the pension. Previously that was not the case. It is not being given. The third thing is that the heirs of the pensioner after his death have to go from pillar to post to obtain the succession certificate and they have to undergo all these hardships. The Government wants to avoid delays and harassments which the hon. Members are pointing out. After all they may get a very paltry sum. But to get a succession certificate is a difficult proposition. The heirs have to run from pillar to post for it. In order to facilitate the pensioner, in order to see that pension is given as immediately as possible to the person whom he has nominated we are doing. We very much appreciate the point raised by Shri Ghosh. The Government is contemplating to make certain rules so that the pension could be paid to the person whom he has nominated as expeditiously as possible. So this is a very simple Bill. There is nothing extraordinary about this matter. It

only wants to undo the defect. We have done it by extending it to the entire country. Sir, this is what I wanted to say.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): I shall now put the motion to vote. The question is:

"That the Bill further to amend the Pensions' Act, 1871, be taken into consideration."

*The motion was adopted.*

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Now we will take up clause by clause consideration of the Bill.

*Clause 2 and 3 were added to the Bill.*

*Clause 4 (Insertion of new sections 15 and 16).*

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Now we take up clause 4. There is one amendment by the Minister.

SHRI P. VENKATASUBBAIAH: I move:

"That at page 2, for lines 18 and 19, the following be substituted,, namely:—

'(a) the manner and form in which any nomination may be made under Section 12A and the manner and form in which such nomination may be cancelled or varied by another nomination.' "

*The question was put and the motion was adopted.*

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): The question is:

"That clause 4, as amended, stand part of the Bill."

*The motion was adopted.*

*Clause 4, as amended, was added to the Bill.*

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

SHRI P. VENKATASUBBAIAH: I move:

"That the Bil, as amended, be passed."

*The question was put and the motion was adopted.*

# **STATEMENT BY MINISTER-INDIA'S EXTENDED ARRANGEMENT WITH THE INTERNATIONAL MONETARY FUND**

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): The Finance Minister.

THE MINISTER OF FINANCE (SHRI R. VENKATARAMAN): Mr. Vice-Chairman,...

SHRI LAL K. ADVANI (Gujarat): A points of order.

THE VICE-CHAIRMAN (DR. RAFIQ ZAKARIA): Mr. Advani, there is nothing before the House, on which you want to raise something.

SHRI LAL K. ADVANI: He is about to make a statement, Sir. He got up to make a statement.

(MR. DEPUTY CHAIRMAN in the Chair],

I am on a point of order, Sir. The hon. Finance Minister is about to make a statement on India's extended arrangement with the International Monetary Fund. In fact, this is the most crucial development that has taken place during the 2-month inter-session period. Sir, during the last two months or even more than that there has been a debate in the country on the propriety, necessity and desirability of an arrangement of this kind. I am sure that and occasion