

[Shrimati Sushila Rohatgi]

With these words, Sir, they should all agree and help us in passing this Bill.

THE VICE-CHAIRMAN (SHRI V. B. RAJU): The question is:

"That the Bill to provide for the withdrawal of certain sums from and out of the Consolidated Fund of India for the services of a part of the financial year 1975-76, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN (SHRI V. B. RAJU): We shall now take up clause by clause consideration of the Bill. There are no amendments.

Clauses 2 and 3 and the Schedule were added to the Bill.

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

SHRIMATI SUSHILA ROHATGI: Mr, I move:

"That the Bill be returned "

The question was put and the motion was adopted.

I RESOLUTION SEEKING DISAPPROVAL OF THE TRUST LAWS (AMENDMENT) ORDINANCE, 1975 (NO. 1 OF 1975)

II. THE TRUST LAWS (AMENDMENT) BILL, 1975

SHRI V. K. SAKHILECHA (Madhya Pradesh): Sir, I move:

"That this House disapproves the Trust Laws (Amendment) Ordinance 1975 (No. 1 of 1975) promulgated by the President on the 7th January, 1975."

उपसभाध्यक्ष महोदय, यूनिट ट्रस्ट के बारे में जो आर्डिनेंस गवर्नमेंट आफ इंडिया ने पहले आर्डिनेंस के रूप में इश्यू किया उसका

विरोध करने के लिए खड़ा हुआ है। जब आर्डिनेंस इश्यू करने के बारे में कोई कारणीभूत नहीं था तो किस कारण से आर्डिनेंस इश्यू करने की आवश्यकता पड़ी? स्वयं गवर्नमेंट आफ इंडिया ने डिविडेण्ड्स के ऊपर जो रेस्ट्रिक्शंस लगाए उसी के कारण ता यूनिट्स का सेल कम हो गया लोगों ने उसको खरीदना बंद कर दिया; उसका कारण स्वयं भारत सरकार रहा और भारत सरकार ने जिस समय डिविडेण्ड्स के ऊपर इस प्रकार को रोक लगाने का निश्चय किया उसी समय उनको क्यों नहीं सूझा कि इसका असर यूनिट ट्रस्ट के ऊपर भी पड़ेगा और यूनिट्स की बिक्री के ऊपर पड़ेगा उसके ऊपर इन्वेस्टमेंट पर पड़ेगा अगर सरकार दूरदर्शिता से विचार करती, आगे की सोच करके विचार करती कि ज़ा कुछ कदम वह उठा रही है उसका क्या कांसीक्वेंस होगा, तो फिर उन्हें कोई आर्डिनेंस इश्यू करने की आवश्यकता नहीं होती; जिस समय डिविडेण्ड्स के ऊपर रोक लाई थी उसी समय भारत सरकार को इस स्टेप के बारे में विचार करना चाहिए था कि यूनिट्स का सेल और बराबर कायम रखना है तो और छूट दी जानी चाहिए। जहाँ तक इससे 2,000 रु० तक इनकम टैक्स में छूट दी गई है मैं उसका समर्थन करता हूँ और वेल्थ टैक्स के अंदर जो आपने 50,000 रु० का छूट दी है उसका स्वागत करता हूँ। इन कदमों का कोई विरोध नहीं है लेकिन विरोध सिर्फ यह है कि इतनी देर के बाद आपने एक आर्डिनेंस इश्यू करने का विचार किया। जिस समय आपने डिविडेण्ड के बारे में निणय किया था उसी समय इन सारी बातों का विचार करके तत्काल कदम उठा सकते थे। यूनिट ट्रस्ट एक्ट में अमेंडिंग बिल ला सकते थे, पास करवा सकते थे, लेकिन इस प्रकार से भारत सरकार की अचानक एक रोज़ नींद खुलती है, सेशन के पहले आर्डिनेंस इश्यू कर देती है इसका सिद्धान्तः विरोध करते हुए यूनिट ट्रस्ट के बारे में कुछ निवेदन करना चाहूंगा।

उपसभाध्यक्ष महोदय, यूनिट ट्रस्ट जिस मूल उद्देश्य को लेकर स्थापित किया गया था, मेरा खयाल है कि सर्वेय मंत्री जी इस बात को स्वीकार करेंगे कि उस उद्देश्य की पूर्ति नहीं हुई है और डिविडेन्ड पर रोक लगाने के पूर्व भी यह योजना सफल हुई है, यह नहीं कहा जा सकता है। आपने यूनिट ट्रस्ट की इसलिए स्थापना की थी ताकि लॉग अपना इन्वेस्टमेंट इसमें लगा सकें और इसलिए इस तरह की एजेंसी स्थापित की गई थी। यह एजेंसी इसी लिए स्थापित की गई थी कि लॉग अपने बचत का रुपया अलग-प्रलग एजेंसियों में न लगा कर इस में लगायें और इसी उद्देश्य से गवर्नमेंट आफ इंडिया ने इसकी स्थापना की थी ताकि लोगों का बचत का रुपया ठीक तरह से युटिलाइज्ड हो जायें। यह कहना और जो आंकड़े दिये गये हैं कि 1965 के बाद इस ट्रस्ट की राशि बढ़ी है, इसके बारे में कोई संदेह नहीं है। लेकिन जिस गति से इस में राशि बढ़ती चाहिये थी उस गति से नहीं बढ़ी है सिवाय तीन-चार बड़े शहरों के जहाँ तक सारे देश का सवाल है क्योंकि हमारा देश जा है वह एक विशाल देश है, उसके हिसाब से जनता ने इसमें बहुत कम पैसा लगाया है। जनता ने इसमें अपना पैसा इंडस्ट्रियल युनिट्स समझ करके बहुत कम लगाया है और इसका नतीजा भी बहुत कम निकला है। हम 151 करोड़ रुपया जो कलेक्ट कर पाये हैं वह हमारी न.तियों की वजह से है और अगर सरकार की नीति यही रही जो यूनिट ट्रस्ट में लोगों द्वारा पैसा लगाया जाना बन्द कर दिया जायेगा।

1973 और 1974 में जो कमी इसके राशि में आई है उसका कारण यह है कि मु.क. में चीजों के दाम बढ़ने ही जा रहे हैं और कोई भी आदमी यूनिट ट्रस्ट में आज पैसा इन्वेस्ट करने के लिए तैयार नहीं होता है। इसका मूल कारण यह है कि जनता जो पैसा इसमें लगाती है उसके बदले में उसका 8 प्रतिशत डिविडेन्ड मिलता है। जब देश में प्राइसेज बढ़ती ही चली जा रही है तो उसका एक साल के अन्दर अपने पैसे का 8 प्रतिशत ही मिल रहा है जब कि

कौमर्श और भी तेजी के साथ बढ़ती ही चली जा रही हैं। आज जो हमारे नेशनलाइज्ड बैंक हैं वे फिक्सड डिपोजिट्स में जिस हिसाब से इन्टरेस्ट दे रहे हैं वह यूनिट द्वारा दिये गये डिविडेन्ड से कहीं ज्यादा है। पहिले यूनिट ट्रस्ट के यूनिट दो सालों में जितनी तेजी से खरीदे गये थे उस हिसाब से अब उनको कोई नहीं खरीद रहा है और उसका कारण यह है कि बैंकों द्वारा फिक्सड डिपोजिट में इससे ज्यादा इन्टरेस्ट दिया जा रहा है। आज इन बैंकों द्वारा 13 और 14 प्रतिशत इन्टरेस्ट दिया जा रहा है। सरकार ने बैंकों द्वारा क्रेडिट स्कवीज लगा दिया गया है और इसका नतीजा यह हुआ है कि जो बड़ी-बड़ी कंपनियां हैं, जिनको बैंकों द्वारा कर्ज मिलना बन्द हो गया है, उन्होंने जनता से पैसा लेना शुरू कर दिया है और उसके बदले में वे 13-14 प्रतिशत व्याज दे रही हैं। इसका नतीजा यह हुआ है कि जनता ने यूनिट में अपना पैसा लगाना बन्द कर दिया और इन इंडस्ट्रीज द्वारा जो लोन जारी किये गये हैं और जिनमें 13-14 प्रतिशत व्याज दिया जाता है उसमें अपने बचत का धन लगाना शुरू कर दिया है।

सब से बड़ी बात जो मैं आपके सामने रखना चाहता हूं वह यह है कि आज सारे देश में चिट फंड की कंपनियां चल रही हैं और उनके द्वारा जनता को धोखा दिया जा रहा है। ये कंपनियां ज्यादा इन्टरेस्ट देने के नाम पर जनता से पैसा ले लेती हैं और उस तरह से जनता को न इन्टरेस्ट मिलता है और न ही उनका मूल धन ही मिलता है। आज हालत यह है कि हर स्टेट में आज इस तरह के चिट फंड खुल गये हैं जो जनता की कमाई को खाये जा रहे हैं। इन चिट फंडों के बारे में सरकार ने राज कमेटी की अध्यक्षता में एक कमेटी बनाई है जो कि इन चिट फंडों के कार्यों के बारे में जांच कर सके और सरकार को सिफारिश कर सके। यह कमेटी इस बारे में कई कदम उठाये, इससे पहिले मैं यह निवेदन करना चाहता हूं कि जिस तरह से ये चिट फंड काम कर रहे हैं

[Shri V. K. Sakhlecha]

और जनता आज की महंगाई के जमाने में जिस तरह से अपना जीवन निर्वाह करके भी पैसा बचा रही है और भविष्य के कामों में आने के लिए जिस तरह से वह अपना रुपया इन चिट फंडों में लगा रही है, उसके बारे में सरकार को अवश्य कोई न कोई कदम उठाने चाहिये। आज गरीब जनता सौ, दो सौ, पांच हजार रुपया इन फंडों में लगाती है और इसका कारण यह है कि ये फंड वाले उन्हें बहुत अच्छी पिवचर बतलाते हैं कि तुम को इतना रुपया मिल जायेगा। इसलिए मैं सरकार से यह निवेदन करना चाहता हूँ कि इस सम्बन्ध में सरकार को कुछ न कुछ कार्यवाही करनी चाहिये।

इसके साथ ही साथ मैं यह भी निवेदन करना चाहता हूँ कि आज हर स्टेट सरकारों ने अपने यहां लॉटरी चलानी शुरू कर दी है। आज आप देखेंगे कि रेलवे और मोटर स्टेशनों में स्टेटों की लॉटरी के टिकट बचे जाते हैं और गरीब जनता इन टिकटों को खरीदती है। इस तरह से जो रुपया इन टिकटों के खरीदने में व्यय होता है, उसका कोई उपयोग नहीं होता है। इसलिए मैं सरकार से यह निवेदन करना चाहता हूँ कि चिट फंड और लॉटरी के सम्बन्ध में उसको अविलम्ब कोई न कोई कदम उठाने चाहिये।

5 P.M. इनवेस्टमेंट के बारे में भी मैं कहना चाहता हूँ कि यूनिट ट्रस्ट ने किस रूप में रुपए का उपयोग किया। 1973-74 की यूनिट ट्रस्ट की रिपोर्ट में फिगर्स दी हुई हैं। अगर आपका लक्ष्य यही है कि बड़ी-बड़ी कंपनियों के इन्विन्टी शैयर्स में यूनिट ट्रस्ट का पैसा लगे तो यह उचित नहीं है। मैं समझता हूँ कि आपका लक्ष्य यह है कि छोटी इंडस्ट्रीज को अपने डेवलपमेंट के लिए रुपए का लाभ मिले। लाइफ इंश्योरेंस का पैसा हो, यूनिट ट्रस्ट का पैसा हो, उससे छोटी इंडस्ट्रीज को लाभ होना चाहिए था। मीनोगोली हाउसेज को तो और

माध्यमों से भी पैसा मिल जाता है। वे फिक्सड डिपोजिट्स काल करे तो पैसा मिल जाता है, बैंक्स से मिल जाता है, इंश्योरेंस कंपनियों से पैसा मिल जाता है। अगर आप छोटी इंडस्ट्रीज को बढ़ाना चाहते हैं, उनके फाइनेंशियल रिसोर्सेज को बढ़ाना चाहते हैं, वैसा यूनिट ट्रस्ट का दृष्टिकोण दिखाई नहीं देता, उसकी रिपोर्ट में ऐसा नहीं मिलता। यूनिट ट्रस्ट ने टैक्सटाइल और जूट इंडस्ट्रीज का फाइनेंस किया, बड़ी इंडस्ट्रीज का फाइनेंस किया। गरीब की सेविंग्स का पैसा गरीब के उद्धार में लगाया जा सके तो उचित होगा। इसके बारे में आप प्लान करके, विचार करके कदम उठाते तो अधिक उचित होता। आपने आडिनेन्स इश्यू करके कदम उठाया, यह उचित नहीं है। मैं इस बात का स्वागत करता हूँ कि आपने दो हजार रुपए की रकम पर छूट दी है और वैल्यू टैक्स में उसकी लिमिट 25 हजार तक कर दी है। आशा है आप जनता का विश्वास प्राप्त करने के लिए और कदम उठाएंगे। आज भी अगर देश की इकॉनॉमी का आप ठीक करना चाहते हैं तो बहुत ज्यादा टैक्स या बहुत ज्यादा रेस्ट्रिक्शन्स, बहुत बड़ी लिमिट रख कर देश की इकॉनॉमी को आप सुधार नहीं सकते। जितनी आप छूट देंगे उतना ही अधिक पैसा आपका प्राप्त होगा, जनता का सहयोग भी अधिक प्राप्त होगा मैं आपके इस कदम का स्वागत करता हूँ। लेकिन आडिनेन्स का विरोध करते हुए अपने मोशन का मैं सदन के सामने प्रस्तुत करता हूँ।

The question as proposed.

THE DEPUTY MINISTER IN THE MINISTRY OF FINANCE (SHRI-MATI SUSHILA ROHATGI): Sir, with your permission I move:

"That the Bill further to amend the Indian Trusts Act, 1882 and the Unit Trust of India Act, 1963, as passed by Lok Sabha, be taken into consideration."

Sir, on 7th January, 1975 the President promulgated the Trust Laws (Amendment) Ordinance, 1975 which envisages the grant of further relief from income tax to the extent of Rs. 2,000 for income from units over and above the existing limit of Rs. 3,000 already available under Section 80'L of the Income-Tax Act, 1961 in respect of certain approved investments including units, and also provide for further exemption up to Rs. 25,000 from wealth tax on investments in units over and above the existing exemption limit under Section 5 of the Wealth-Tax Act, 1957 in respect of investments including units specified in that section. In addition, the units issued by the Unit Trust of India will be eligible to be treated as trustee securities under the Indian Trusts Act and the amounts Payable to the nominees of unit holders will, subject to certain conditions, vest in and payable to the nominees. This Bill will replace the said Ordinance.

As honourable Members are aware the Unit Trust of India was established in 1964 with an initial capital of Rs. 5 crores to promote public savings through the sale of units of the Unit Trust of India. The total sales of units up to the end of June, 1974 was of the order of Rs. 152 crores. The net accretion to unit capital during the year 1973-74 was Rs. 26.6 crores.

Government initiated a number of anti inflationary measures in July, 1974 in order to curb the rise in prices, and accordingly restrictions were imposed on the distribution of profits by way of dividends which seems to have caused some Uncertainty *in the* minds of unit-holders as to whether the UTI would be able to maintain its previous rate of dividend.

Consequent to increase in Bank rate in July, 1974 the interest rates on bank deposits were also raised. The companies offered high rates of interest on the deposits received by them which also affected the sale of fresh units and there was a spurt in the

resale of units by the unit-holders. During July-December, 1974 the fresh sale of units was Rs. 9.8 crores only as against Rs. 23 crores during the same period in 1973. The repurchases of units by UTI increased to Rs. 16.23 crores during the second half of 1974 as against Rs. 2 crores only in the corresponding period of 1973. Thus, the net accretion to unit capital during July-December, 1974 was minus Rs. 6.54 crores as against plus Rs. 21 crores during the same period of 1973, resulting in a shortfall of resources of Rs. 27.5 crores at a time when the resources are urgently needed for productive investment. If the rising trend of redemption of units by unit-holders had not been checked, it would have caused a serious impact on the liquidity of the Unit Trust of India and it would have been forced to sell a part of its investment in equity and preference shares which would have further depressed the capital market. In order to improve the liquidity of the Unit Trust of India and to curb dis-investment of units by unit-holders as well as to promote fresh investment in units, an Ordinance was promulgated on 7th January, 1975, giving certain tax reliefs.

The impact of the Ordinance has been quite satisfactory. The sale of fresh units increased to Rs. 52 lakhs in January, 1975, Rs. 69 lakhs in February, 1975 as against the average monthly sale of Rs. 22 lakhs during August-December, 1974. It has curbed the resale of units by the unit-holders which has declined from the monthly average of Rs. 300 lakhs during August-December, 1974 to Rs. 170 lakhs in January, 1975 and Rs. 100 lakhs in February, 1975. The performance of the Unit Trust of India in the first 11 days of March, 1975 has been impressive. The fresh sale of units amounted to about Rs. 75 lakhs as against the resale of Rs. 25 lakhs resulting in a net accretion of Rs. 50 lakhs after about 7 months.

A statement showing the changes made in some clauses of the Bill *vis-avis* the Ordinance is attached to the Bill, which I do not intend to repeat.

[Shrimati Sushila Rohatgi]

•Sir, the present Bill seeks to replace the Ordinance dated 7th January, 1975, subject to changes which are of a consequential or procedural or clarificatory nature by an Act of Parliament. I request the House to unanimously accept the Bill as passed by the Lok Sabha.

The question was proposed.

SHRI SANAT KUMAR RAHA (West Bengal): Mr. Vice-Chairman, Sir, the amending Bill is to amend the Unit Trust of India Act, 1963 and the Indian Trusts Act, 1882. So far as I have gone through this Bill I have come to the understanding that this Bill has been brought before this House to give some incentive to big money-holders and to those wealthy persons who are paying wealth tax. Sir, the Unit Trust of India was established in 1964 to mobilise resources with a capital of Rs. 5 crores. By this amendment the Government's policy again reveals that the Unit Trust of India is an institution for big-money-holders only¹. Today 'there are commercial banks, the scheduled nationalised banks and other financial institutions who also mobilise public savings and give higher rate of interest and relief than the ordinary bank rate of not more than 8 per cent or 10 per cent. After imposition of restriction on dividend, the situation has come up in such a way that the Unit Trust has further deteriorated. The Minister in her statement said that during the last few months there was a rising trend of redemption or units issued by the UTI causing serious impact on the liquidity of the UTI. In institution which is meant to mobilise part of savings from the people, people of all categories was on the verge of ruin. So, the Government had to come up with an Ordinance to salvage an institution, like the UTI. The UTI faced this sort of situation and only to salvage this institution the Government promulgated the Ordinance. The Government promulgated the Ordinance only to save this insti-

tution, only to help the wealthy persons and big industrialists, so that they can invest their money in the UTI and again that money will go to them for further investment in their own industry to breed further money. Sir, in the meantime when the dividend restriction was imposed and the UTI was feeling helpless, people also lost faith in this institution which is meant for mobilising public savings and public resources, sir, the scheme of Unit Trust which benefits not all classes of people, excepting the small and the middle classes, only the big people in this country, is the result and creation of the fiscal and economic policy of this Government. So again in the case of the Unit Trust of India, the Government has come up to protect this institution only not to help the development of industry, not to help the expansion of industry, not to help the poor investor, the middle investor, the small investor, the small money holder, but the big money holder who are to pay income-tax on more than Rs. 5,000 from J.T.I., and those who pay wealth tax more than Rs. 25,000. Sir, this is the situation. Now the Government has come up again to help this class of big houses by this Unit Trust of India. So the Bill cannot check the re-sale if the rate of interest given is higher—it can check to a certain degree, but it cannot check completely the resale of the units because vast numbers, 70 to 80 per cent, of people are there who want higher interest. Excepting these big monopoly houses, big industrial houses, big money holders there are middle class people, who are 20 to 30 per cent of them, who can invest in the Unit Trust, but these people are exempted from the relief provided by this amending Bill.

Sir, the Bill is meant for mobilizing resources from big money holders who will get benefit and relief of exemptions from income-tax and wealth tax to the extent of units worth Rs. 2,35,000 higher than what is provided by the present Act. By this measure, Sir, some black money

item the big houses may get whitened & through this institution of UTI. Again when credit and financial assistance will be given by this UTI, apprehend that so far as the Government economic policy goes, this money will go to those persons who torped Mack money. So the money collected through the Unit Trust of India is nothing but black to black. Money getting whitened out of black, and again going to the industrialists, big houses, for getting blackened. This is the relation. How to get rid of this vicious circle? I want the Minister to state what provisions the Government will make in this institution of UTI so that the middle level people, small money holders can get relief and have incentive to invest their money in the UTI so that development and expansion of industry can happen in the small-scale sector and priority sector. All these are questions. So this Bill is only to salvage the UTI from its run. I want to know from the Minister what steps the Government would take so that the UTI can become really a resource mobilizing institution on behalf of the middle classes so that the small industrial and priority sector can develop through the UTI. These are the questions before the Minister. I want the Minister to answer these questions so that the UTI can really be an asset for the Government.

SHRI U. K. LAKSHMANA GOWDA (Karnataka). Mr. Vice-Chairman, Sir, the very fact that this Ordinance had to be promulgated, has clearly declared the helplessness of the policy of the Government of India in this regard. Sir, when the Ordinance for freezing of the dividends came, it was said that the dividends were to be restricted by 12 per cent and then, not being satisfied with that, a second Ordinance came which said that even while paying that, the payment should be restricted to 33 1/3 per cent of the profits made. You can understand what the position of the companies would be with this. It is a very well known fact that even the well-run companies could not pay even 4 or

5 per cent dividend to the shareholders because of 33 1/3 per cent restriction. How could the Unit Trust whose main investments were in shares of the companies, could get out of the rut? Mr. Raha's point is also completely off the mark. He says we will be otherwise encouraging the capitalists or the money-lenders or monopolists. But what is happening here is because of this dividend freeze, the return on investment fell so badly that now the Government had to come out with these proposals. Even with these proposals of providing relaxation with regard to wealth tax, income tax and others, I am not sure whether the position is going to improve. I am at least glad, Sir, now that the dividend freeze has been lifted to a certain extent. The return on investments by the Unit Trust might improve. It is a matter of concern, Sir, that all these economic measures which at one time were supposed to promote socialism have not produced the desired results. What happens is that the shareholders are not getting enough; people are losing interest and at the same time banks are charging usurious interest at the rate of 18 per cent or 20 per cent. At one time it was said that money-lenders were fleecing the borrowers and were charging 24 per cent interest. Now the latest figure is, for even secured loans, the rate of interest charged by the banks is 17 1/2 to 18 per cent and the interest is addable every month. Where will it come to? That is one angle of it and this has resulted in the capacity of the industry, the borrower and the producer going down. Then, the bank rate being what it is and the dividends from the Unit Trust having been so low, who will have any interest to invest in these units?

I would like to mention another point with regard to Rational Plan Certificates and others in which the Deputy Minister also is keenly interested. What is happening is it is only by coercive methods that the Plan Certificate are sold. But then what

[Shri U. K. Lakshmana Gowda] happens? Within three years they are redeemed. These are supposed to Fetch interest of 6 per cent and 7 per cent and no body buys them because if you make investment in a company, you get 12 to 13 per cent return for one year's deposits'. Here a person buys these National plan Certificates and finally he gets 7 per cent interest. No body is interested in it. Then how-are these sales taking place? I would like to mention here. I know from my own experience in my State. In the States, the Income-tax Officers,, the Collectors, the Tehsildars and everybody there are forced to sell these Certificates and the people have to buy them for whatever worth they are. A man goes to renew his gun or Car licence. He is asked to buy for Rs. 50. A man goes to get his driving licence. He has to buy these certificates. Otherwise, they are harassed. So many people have complained to me. Then there are people in the Income-tax Department, Agricultural Income-tax Department and other places. There, a quota has been fixed by higher authorities that so much amount by way of sale of certificates has to be collected, like one lakh or two lakhs for the department. People when forced oblige and buy these Certificates, and get them redeemed after 3 years. I would like to know from the hon. Minister, when figures are quoted from the Finance Ministry that so many crores of National Plan Certificates have been sold, what is the redemption rate and how many of these Certificates are being redeemed after 3 years?

That gives an indication. I am interested in seeing that the Unit Trust gets better sale and more investments are made in the National Plan Certificates. Unfortunately the return is not sufficient. They have to review the whole policy. This sort of coercive measures should cease. It is only the smaller people who suffer on account of this. The bigger people who invest in them take them,

back after three years. The whole policy is lopsided. I would like to suggest that they will have to apply their mind and see that greater returns are made -available. When companies are giving ten to fifteen per cent, why not increase the rate of interest on the National Plan Certificate? If the share-value of the companies is going down, how can the Unit Trust pay more? The companies used to pay a dividend of ten to fifteen per cent, but after the dividend-freeze it came down to 3 per cent. During my speech on the Budget I gave the example how a small company which used to pay ten per cent could not pay three per cent now. So, who is going to put money in your Unit Trust? What is the advantage for the small investor to go in for this? So far as the richer people putting money in this are concerned, I would like to tell mjr hon. friend, Mr. Eaha, that they will never put voluntarily money either in the Unit Trust or in the NPC. Only because of the pressure from the Income-tax Department they invest this money and after three years they withdraw it. So, your argument that it will help them to put the money in here is a wrong view.

Another argument relates to black money coming in. This I am doubtful. I have no objection in supporting this Bill because they are in a helpless position. At least they want to make an experiment by giving some relief in income-tax, wealth-tax and also the other investment. I am not at all certain that it is going to give the results which they are thinking of. They will have to completely review the policy and make them more remunerative to the investor. They should give them a better return. Only in that way you can help the growth of the Unit Trust.

श्री बीरेन्द्र कुमार सुखलेवा : उपसभान-
ध्यक्ष महोदय, मुझे इस संबंध में अब अधिक कुछ
नहीं कहना है। जो बातें श्री राहा और श्री गौडा
ने कही हैं उसके बारे में मैं यह निवेदन करना

चाहता हूँ कि बड़े-बड़े लोग ब्लैक मनी का यूनिट ट्रस्ट में इन्वेस्ट नहीं करते हैं। छोटे लोग ही इसमें धन इन्वेस्ट करते हैं। बड़े-बड़े उद्योगपति तो कंपनियों और इंडस्ट्रीज में धन लगाते हैं और उनका लान भी मिल जाता है। ब्लैक मनी किस प्रकार और कहाँ पर इन्वेस्ट होती है, इस बारे में तो गवर्नमेंट आफ इंडिया को अलग से विचार करना पड़ेगा। लेकिन छोटे लोग, मिडियम क्लास के लोग इन ट्रस्टों के अन्दर किस प्रकार आए और अपना इन्वेस्टमेंट करें, अगर इस पर विचार किया जाएगा और छोटे उद्योगों का इस संबंध में बढ़ावा दिया जाएगा तो उससे सब का लाभ होगा। मैं समझता हूँ कि काले धन का सफेद धन में परिवर्तित करने का यह माध्यम नहीं है। ऐसी स्थिति में उनके इस प्रकार के अगुमेंट का कोई मतलब नहीं है।

SHRIMATI SUSHILA ROHATGI: Mr. Vice-Chairman, Sir, I would like to thank the hon. Members who have participated in this debate and for having generally welcomed this Bill. I am also happy at the suggestions which they have made. I can assure them that we shall examine them. We are aware of these problems and we are always prepared to go into them. Now, point by point, I think Mr. Sakhlecha raised about the companies which have come into existence and are giving a high rate of interest. I would like to tell him that the total amount of deposits to be received by such companies has been limited to 40 per cent of their paid-up capital plus free reserves, as against the earlier limit of 50 per cent. We do hope that it will have a salutary effect upon them.

I think Mr. Raha asked about the steps taken for making it more attractive to the middle-class. These are taken by the middle-class. It is popular with them. The total number of unit-holders is 6 lakhs, of which the individuals consist of 96 per cent. Sixty per cent of these 6 lakh unit-holders hold less than 100 units, i.e., about RS. 1,000. This shows that they

are really popular with the middle-class. It is with the intention that the interests of the middle-class should not suffer that this concession has been given. I think in course of time whatever defect is there would be rectified. As I had pointed out at the beginning....

SHRI SANAT KUMAR RAHA: Has the middle-class started resale of the units? If so, what is their per centage?

SHRIMATI SUSHILA ROHATGI: I gave the figures of the sale also in the beginning. I think the hon. Member will be happy to see these figures also. So far as sales are concerned, in August, 1974 they stood at Rs. 23.72 lakhs. They had been practically going down except in September, 1974, and in December, 1974 they came down to Rs. 19.62 lakhs. In January, 1975 they rose to Rs. 51.81 lakhs and in February to Rs. 70 lakhs. In March, 1975, from the 1st to the 11th, the sales were Rs. 74.62 lakhs. These are the monthly sales. I think these figures will show that the sales have been on the increase. About repurchase, which was going up, the trend has been reversed recently, and that has also shown a decline in December, 1974. It was Rs. 401.18 lakhs in August, 1974. Then it started showing a decline, and in January, 1975, it was 170.29 lakhs; in February it was Rs. 100.41 lakhs and in March, from the 1st to the 11th, it stood at Rs. 24.95 lakhs. So, the twin object of increase in the sale and decline in repurchase has been going on. I very much welcome the suggestions of the hon. Member and I hope...

श्री वीरेन्द्र कुमार सखलेचा : मैंने जो आपसे चिट फण्ड्स और लाट्रीज के बारे में पूछा था . . .

श्रीमती सुशीला रोहतगी : चिट फण्ड्स के बारे में पहले भी कुछ कहा गया था। इसके ऊपर सरकार काफी प्रचार कर रही है, कमेटी भी बँठी थी। उसके ऊपर इन्वेस्टमेंट

[श्रीमती सुशीला रोहतगी]

की भी जरूरत है जिस पर विचार चल रहा है, वह कैसे क्रिस्टलाइज करेगा यह विचारणाय है। लेकिन जो बात आपने कही है उस पर बड़ी गंभीरतापूर्वक विचार करेंगे।

SHRI SANAT KUMAR RAHA: I want to know how the priority sectors are being helped and assisted by the UTI.

SHRIMATI SUSHILA ROHATGI: The viable schemes and projects are taken into consideration. After all, this is public money and we have to ensure security of the money and a sound return. These are the facts.

THE VICE-CHAIRMAN (SHRI V. B. RAJU): The hon. Member wants to know how the priority sector is assisted by the Unit Trust funds.

SHRIMATI SUSHILA ROHATGI: It is done through the investment pattern, which is broadly based upon our policy, at the same time assuring to the public that the money is secure and that they get a sound return on it also.

THE VICE-CHAIRMAN (SHRI V. B. RAJU): The question is:

"That this House disapproves the Trust Laws (Amendment) Ordinance, 1975 (No. 1 of 1975) promulgated by the President on the 7th January, 1975."

The motion was negatived.

THE VICE-CHAIRMAN (SHRI V. B. RAJU): The question is:

"That the Bill further to amend the Indian Trusts Act, 1882 and the Unit Trust of India Act, 1963, as passed by the Lok Sabha, be taken into consideration."

The motion was adopted.

THE VICE-CHAIRMAN (SHRI V. B. RAJU): We shall now take up the clause by clause consideration of the Bill.

Clauses 2 to 9 were added to the Bill

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

SHRIMATI SUSHILA ROHATGI: Sir, I move:

That the Bill be passed."

The question was put and the motion was adopted.

STATUTORY RESOLUTION RE GUJARAT ELECTRICITY BOARD

THE DEPUTY MINISTER IN THE MINISTRY OF ENERGY (PROF. SIDDHESWAR PRASAD): Sir, I move the following Resolution: —

"Whereas in pursuance of subsection (3) of section 65 of the Electricity (Supply) Act, 1948 (54 of 1948), the Government of Gujarat has, with the approval of the Gujarat Legislative Assembly fixed under notification No. G/U/215/ESA/3470/4236/K dated the 19th December, 1970, the maximum amount as rupees one hundred crores for the purposes of sub-section (1) of the said section 65 with effect from the 19th December, 1970.

And whereas the Government of Gujarat proposes to raise the aforesaid maximum amount to rupees one hundred and fifty crores;

And whereas the Gujarat Legislative Assembly has been dissolved;

And whereas under the Proclamation dated the 9th February, 1974, issued by the President under article 356 of the Constitution the powers of the State Legislature are exercisable by Parliament;

Now, therefore, it is hereby resolved that the Rajya Sabha do accord approval to the proposal of the Government of Gujarat to fix, under sub-section (3) of section 65 of the Electricity (Supply) Act, 1948 (54 of 1948), the maximum amount as rupees one hundred and fifty crores which the Gujarat