

mittee consisting of technical people, the union people, the officials and others. They are now going into the details of all these things and in the recommendations of that Committee, all these things will definitely be taken into consideration. Thank you.

ANNOUNCEMENT RE ARREST OF SHRI GOLAP BARBORA, MEMBER OF RAJYA SABHA, IN NEW DELHI

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA): I have received a letter from the Sub-Divisional Magistrate, New Delhi, which reads as follows:

"I have the honour to inform you that I have found it my duty in exercise of my powers under section 64 Cr.P.C. to direct that Shri Golap Barbora, Member of the Rajya Sabha, be arrested under section 188, I.P.C., for violation of prohibitory orders promulgated under section 144, Cr.P.C. at Patel Chowk, New Delhi, and shouting anti-Kutch Award slogans at about 1-40 p.m. today, the 8th May, 1968.

Shri Golap Barbora, Member of the Rajya Sabha, was accordingly arrested at Patel Chowk, New Delhi, on 8-5-1968, and is being produced before the Judicial Magistrate for trial."

SHRI SUNDAR SINGH BHANDARI (Rajasthan): Mr. Vice-Chairman, Sir,

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA): You want to make a submission on this information?

श्री सुन्दर सिंह भंडारी : मेरा निवेदन है कि सत्याग्रह पालियामेंट के सामने हुआ था, सत्याग्रह शांतिपूर्ण था, लेकिन फिर भी आज वहाँ पर घुड़मवार पुलिस खड़ी थी। मेरा निवेदन है कि जब सत्याग्रह चल रहा है एक राजनीतिक मवाल पर चल रहा है और देश भर से सत्याग्रही यहाँ पर शान्त प्रदर्शन करें पालियामेंट के सदस्यों के सामने इस कच्छ के फैसले पर अपने विचार रखने के लिए

आ रहे हैं, एक मैमोरेण्डम देना चाहते हैं। अगर वे किसी का उल्लंघन करते हैं तो उनको गिरफ्तार किया जाय लेकिन घुड़मवार पुलिस वहाँ पर हो इसकी मैं कोई आवश्यकता नहीं समझता। और मैं चाहूँगा, आपके द्वारा, कि गृह मंत्रालय इस बात की व्यवस्था करे कि सत्याग्रहियों के प्रति सत्याग्रह की भावना के अनुसार ही व्यवहार किया जाए।

श्री गोड मराहरि (उत्तर प्रदेश) :

मैं आपसे मिर्फ यही निवेदन करना चाहूँगा कि कच्छ फैसला विरोधी आन्दोलन कच्छ से दिल्ली तक पहुंच गया है और आज श्री मोक्ष बरबोरा ही नहीं बल्कि करीब 150-200 लोग गिरफ्तार हुए पालियामेंट के बहुत करीब। मैं सरकार से यह उम्मीद करता था कि यहाँ पर आकर वह इसके बारे में कोई बयान देगी। कच्छ एवार्ड के विरोध में जो सारे देश में आन्दोलन हुआ है और हो रहा है जो वातावरण देश में है उसको सरकार को ध्यान में रखना चाहिए और सदन को अवगत कराना चाहिए कि कच्छ एवार्ड के बारे में उसने अपना फैसला बदला या नहीं। अगर नहीं बदला है तो सत्याग्रह चालू रहेगा और अगर चालू रहा तो देश में ऐसी परिस्थिति उत्पन्न होगी जो सरकार अपने काबू में रख सकेगी या नहीं, मैं कह नहीं सकता। इसलिए मैं आपके जरिए यह निवेदन करना चाहता हूँ कि सरकार यहाँ कल बयान करे कि कच्छ एवार्ड के बारे में उनकी राय क्या अभी तक वैसी ही है और वे अपना स्टैंड बदलेगे या नहीं और यह भी बताएं कि आज जो दिल्ली में प्रदर्शन हुआ है उसमें कितने लोग गिरफ्तार हुए हैं। इस सबके बारे में कोई बयान होना चाहिए।

THE PUBLIC PROVIDENT FUND BILL, 1968—continued

THE VICE-CHAIRMAN (SHRI M. P. BHARGAVA): The time allotted for the Public Provident Fund Bill is one hour. Two Members have al-

[The Vice-Chairman]

ready spoken. There are four more. I request the hon. Members to be brief in their remarks. Mr. Chengalvaroyan.

SHRI T. CHENGALVAROYAN (Madras): Mr. Vice-Chairman, Sir, I rise to give my solid support to this beneficial Bill that has been brought forward by our worthy Deputy Prime Minister. I have been accused on the last occasion of rather being rhetorical in my praise and tributes to the farseeing vision of our Finance Minister when he proposed the Budget. I plead guilty to that charge and I am afraid, Sir, I have become almost a habitual offender in that respect.

Today, Sir, this Bill comes in the sequence of the Budget proposals and I think I will not be far wrong when I say that this is a necessary corollary to some of the fundamental principles and policies that are embedded in the Budget proposals. You know, Mr. Vice-Chairman, that the Provident Fund Scheme which, as a matter of fact, has been applied to ever so many sectors of our social life, has got two aspects which have a vital bearing on our developmental activity. The Provident Fund Scheme has got an economic policy and a social purpose behind it. When I say it has got an economic policy, I am sure this House will bear with me when I say that it is of utmost importance that for any developmental activity, we must have mobilisation of savings so that there can be a massive magnitude of investment. Today, Sir, we have tried and tried, most honestly and sincerely, with reference to inaugurating several small savings schemes. But I am afraid that some of them were either anaemic or atrophic and some of them were rather abortive. But today this Provident Fund Scheme, in my submission, is going to take us a very long way in the matter of mobilisation of private savings on a very large scale. That, Sir, is the great attraction that this

Bill offers to any right-thinking person.

With reference to the social purpose, Mr. Vice-Chairman, I feel that today many sections of our people are having a certain amount of employment; I would not say 'full employment' and I dare not say 'gainful employment', but nevertheless, in view of the tempo of the great economic development in our country, we are having a certain amount of monetary resources in the hands of several sections of our people. And therefore, this Provident Fund Scheme which is based on a voluntary foundation would certainly prove to be a very great attraction for the purpose of savings in those sectors which have got a certain amount of money which can be kept by for a rainy day.

(The Deputy Chairman in the Chair.)

Therefore, Madam Deputy-Chairman, this Provident Fund Bill has got to be viewed as another milestone in the great march of our social advancement.

If I may just recall to the kind attention of this House, we have had as early as 1925 the first attempt of having a Provident Fund Scheme embodied in the Provident Fund Act of 1925. But as hon. Members know, the scope and ambit of that enactment was particularly confined to the Government employees and to the Railway employees and later, by wise adaptation, certain local bodies' employees also were roped in for the benefit of that scheme. The second stage in the evolution of the concept of this Provident Fund Scheme was when the Income-tax Act was amended in the year 1929 by introducing a chapter providing for reliefs for Provident Fund 3 p.m. schemes. Then again it was limited in scope. Then there was that powerful recommendation of the Royal Commission on Labour. The Employees' Provident Fund Act with all the Provident Fund schemes

incorporated therein marked the third stage in the evolution of this quasi-social security measure. Today, Madam, this Bill marks the next milestone in that great march. I must say with reference to certain fundamental features of this Bill that it is a very attractive one in ever so many respects. Particularly, Madam Deputy Chairman, I am very much fascinated by certain salient features of this Bill which are going to be a good guarantee for the successful working of the Scheme envisaged under this Bill.

May I first refer to this important provision of subscription to the Fund? One should have expected that a subscriber should be a person who has attained majority so that the question of all other legal complications could be avoided. But I must certainly offer my congratulations to the Government and to the Finance Minister for having made a provision in clause 4 of this Bill that a person on behalf of a minor could also subscribe to this Fund. I see this is a very useful provision because if a minor could get the benefit of this Scheme, it would be more or less an insurance for such a minor when he comes of age. I therefore very strongly commend for the acceptance of this House this very salutary provision contained in clause 4.

With reference to the provision for payment of interest in clause 5 I heard and I also read that there has been some criticism on this subject that the interest payable on the accumulations in the Fund should be on a par with the rates of interest that other monetary institutions or the scheduled banks could afford. I should say with great respect that such a criticism is not well founded; at any rate it is not based on sound understanding of monetary functioning, particularly with regard to the rate of interest. For example, Madam Deputy Chairman, if the rate of interest is to be the same as that of a scheduled bank, then the whole canalisation of deposits would be towards this Fund and all other existing

monetary institutions will certainly go meagre with their deposit returns. I should therefore think that the Finance Ministry has thought it fit to leave the question of the fixation of interest from time to time and that is a very great flexibility which will undoubtedly give a good start for this Provident Fund Scheme.

Madam Deputy Chairman, I must also say a word about the provision with regard to withdrawals. It is not as if a person who subscribes to this Fund becomes completely intertwined and absolutely inescapable from the consequences of his subscription. Therefore this flexibility or rather this opportunity for him to withdraw would certainly be a greater attraction for the subscription than what it would have otherwise been.

Madam Deputy Chairman, this provision with regard to the grant of loans would certainly be very popular because no man would like to subscribe and keep on subscribing and not expecting any immediate use of the accumulation of his subscription. This provision for the grant of loans on a certain fixed percentage of the accumulation of his subscription would certainly be a great popular attraction for the inflow of the subscription under the scheme.

I am particularly pleased with this provision in clause 8 with reference to payment after the death of a subscriber. It has to be paid to the person who is nominated and in the absence of any nomination it has to be paid to the legal heir. We know, Madam, the working of various other schemes more or less similar to this. The question of payment on the death of the subscriber is a very thorny question involving settlement of rival claims and of rival legal rights. This clause 8 gives a clear and categorical answer. The amount on the death of a subscriber is to be paid either to his nominee, if there is one and, if there is none, it has to be paid to the legal heirs. I

[Shri T. Chengalraroyan.]

therefore very heartily commend the provision contained in clause 8.

With reference to the question of immunity from attachment by orders of courts and execution of decrees, one may say, and I heard somebody say that this provision may be rather redundant. May I submit with very great respect, Madam Deputy Chairman, that even under the Civil Procedure Code we have a provision whereby the provident fund accumulations are immune from attachment? But the legal principle underlying that immunity was that with reference to those subscriptions to the provident fund, it is not only the person who contributes but also the employer contributes, whether a person is a private person or a Government employee. So the legal principle underlying that immunity is that it is not only the money of the judgment-debtor but also somebody else's money which is earmarked and assumes the character of a trust, trust money. In the absence of this provision in clause 9 giving immunity of attachment from orders of courts or execution of decrees, I would have been very much worried, whether the provident fund accumulation under this enactment would be free from attachment. Therefore the Ministry has done well in putting in a convincing provision with regard to immunity for the purpose of attachment.

A word with reference to the question of what we may call the importance of this Provident Fund Scheme, namely, the scheme should be incorporated in the Act itself. I realise the value and the weight of that criticism because if the very particulars of the scheme are not incorporated in the Act, the question of vagueness would undoubtedly arise as and when there is a notification on that scheme. But after going through the provisions of this Bill I find that this has not been left so vague and so uncertain as it was thought. That is very clearly and very convincingly stated in the Sche-

dule under clause 3 of the Bill. It shows that beyond these matters any provision in the scheme would be *ultra vires* the Act. Therefore for those people who want to criticise this Bill on the sole ground that the details of the scheme, the particulars of the scheme, the provisions of the scheme are not yet known I wish to submit with all respect that these matters which are to be dealt with under the scheme are enumerated. Therefore there is a kind of definition of the entire ambit of the provisions of the scheme. I feel that this question of leaving the scheme to be promulgated later on has got this unique advantage of understanding and incorporating all those provisions which experience and exigencies may demand.

Madam Deputy Chairman, one word more and I have done. The whole question of this provident fund scheme is certainly based upon the accumulation of public savings and which in turn can be used as massive investments. The point that one may feel—and I feel rather very much about this aspect—is that there is no indication of the investment policy of the accumulation of these subscriptions. One would have expected with no unreasonable importunity that this Bill itself carries the investment policy or the directive principles of investment. We have known with reference to the L.I.C. the question of the investment policy as being very much controversial but I am sure that under clause 3 (2) of the scheme and in the schedule that there is a provision that all matters which are necessary for implementing and giving effect to the scheme could be the subject-matter of this scheme. I leave this provision with regard to the investment to the providence of our Finance Minister.

THE DEPUTY CHAIRMAN: I have still six names more. We have to finish this measure in one hour. I leave to the Members to restrict their time. Mr. Gupta.

श्री बालकृष्ण गुप्त (बिहार) : माननीय, उपसभाध्यक्ष महोदया, यह बिल बिल्कुल बेबुनियाद और बिल्कुल अनिश्चित है। इसमें न तो ब्याज की दर है न कोई नियम है। एक बिलकुल हवाई घोड़ा है। सरकार ने 5,000 करोड़ रु० तो विदेशों से कर्ज ले लिया है और 15,000 करोड़ रु० हिन्दुस्तान के लोगों का ले लिया है। उसका खर्चा दिन दिन बढ़ रहा है। इसलिये एक नयी स्कीम हिन्दुस्तान की जो गरीब जनता है जो कुछ छोटी मोटी बचत करना चाहती है उसको फंसाने के लिये तैयार की गई है। जब इसमें ब्याज की दर ही नहीं है तो कौन इसमें रुपया लगायेगा, कौन इसमें सरकार को नये कर्ज देगा। पुरानी प्राविडेंट फंड स्कीम, जिसमें आधा कंपनी का मालिक और आधा मजदूर देता है उसका रुपया निकालने में जितनी दिक्कतें होती हैं, उसकी वास्तविकताएं कितनी जटिल हैं वह तो हम लोग, जो भारत के भ्रष्ट तन्त्र से जुड़े हुए हैं, वह रात दिन देखते रहते हैं, उसके अन्दर ही सैकड़ों हजारों मजदूरों का रुपया सरकारी प्राविडेंट फंड के खजाने में डूब जाता है। जब तक आप बैंक और पोस्ट ऑफिस की तरह से कोई नियम नहीं बनाएंगे तब तक रुपया निकालने का ढंग ठीक नहीं होगा। इसमें पन्द्रह वर्ष की अवधि दे रखी है। पन्द्रह वर्ष के पहले रुपया निकाला ही नहीं जा सकता, इसका मतलब तो यह है कि एक लम्बी अवधि के लिये सरकार के पास जमा कर दिया जाये। जीवन में अनेक दुर्घटनाएं पाँच, सात, दस वर्ष बाद होती रहती हैं इसलिए यह जरूरी है कि वह अवधि घटा कर दस वर्ष कर दी जाय, मेरी समझ में तो कोई भी आदमी यह नहीं चाहेगा। वह जो पुराना प्राविडेंट फंड है वह तो कम्पलसरी है इसलिए लोग उसमें रुपया देते हैं। इस प्राविडेंट फंड को वाल्युन्टरी बनाया गया है और एक हवाई घोड़ा छोड़ दिया गया है और इसमें न तो कोई रुपया देगा और न यह कोई चीज चलेगी और इसलिये यह बिल्कुल अनावश्यक

है और ऐसे बिल लाकर पार्लियामेंट का समय बर्बाद नहीं करना चाहिये। हिन्दुस्तान में 40 करोड़ आदमी तो बिल्कुल निर्धन हैं और एक पैसा भी बचा नहीं सकते और कर्ज में डूबे हुए हैं, बाकी जो थोड़ा बहुत बचत कर भी लेते हैं वह सरकार में जमा करा दें वहाँ से वापस करने का कोई तरीका नहीं है। इस तरह के बिल को मैं बिल्कुल अनावश्यक और बिल्कुल बेबुनियाद बिल और गलत चीज समझता हूँ। और इसलिये इसका विरोध करता हूँ।

THE DEPUTY CHAIRMAN: Mr. Chinai. (absent) Mr. Purkayastha.

SHRI M. PURKAYASTHA (Assam): I congratulate the Finance Minister for bringing this useful Bill before the House. It is a welcome addition to the few security measures that exist in this country. I fail to understand why some Members of the Opposition are opposing this Bill. There is no compulsion. Nobody will be compelled to deposit under this scheme. Anyone who is willing can voluntarily subscribe to this scheme and the sum also has not been prescribed. It will be prescribed under the scheme that will be drawn up under this measure. I hope the minimum limit of subscription will be so prescribed that even the people from the lowest income group can subscribe to this Fund. There are people who are self-employed and there are people who are drawing very poor salaries and they have not the means to save their money. So I suggest that the minimum limit of subscription per annum should be at least Rs. 50 or Rs. 60 so that even domestic servants, shop assistants, contract labour, who have no security of service who have no protection for old age, sickness, etc. can be induced to subscribe to this Fund. In 1955 the Assam Plantation Provident Fund Act was enacted in Assam for the benefit of 5 lakhs of labourers in the tea plantations. Then the Opposition parties, who thrive on

[Shri M. Purkayastha.]

the miseries and distress of the common people, opposed this measure on the ground that the plantation labourers are the lowest paid workers in India and if they are made to contribute to the Provident Fund, their economy will suffer. But by experience we have seen that there the workers are contributing to this fund and the Provident Fund Trust Board has accumulated a few crores of rupees and under that Provident Fund Scheme now an insurance scheme has been evolved for which those who contributed to the Provident Fund have not to pay anything directly. It is the Provident Fund Trust Board that pays on behalf of the workers the contribution to the L.I.C. Thereby the Provident Fund Trust Board is also earning a huge sum as commission by working as the agent. Similarly out of that Provident Fund, a scheme is also being evolved to grant pension to the workers out of the Provident Fund accumulations. So I think this Public Provident Fund Bill is going to help the poor people of this country to a large extent. I would only urge on the Minister to draw up the scheme in such a manner that he looks to the interest of the poor people and see that a reasonable interest is paid to them and this Fund is so invested that it can get a good return to the people so that people's confidence in this Fund may grow from day to day.

With these words, I whole-heartedly support this measure and urge on the Members to extend their whole-hearted support to this Bill.

SHRI BABUBHAI M. CHINAI (Maharashtra): Madam, I welcome this Bill and in order to understand,

SHRI LOKANATH MISRA (Orissa): He was absent when he was called. He is being called a second time.

SHRI BABUBHAI M. CHINAI: Thank you for your indulgence. May I first of all analyse the Bill in a few

words and that is that there are three main objects of this Bill. One is to create a Provident Fund for the general public. Secondly, the Fund is meant to be medium or long-term saving to the individuals and thirdly, the Central Government is empowered to prepare a scheme. I would have been very glad indeed if these scheme was incorporated along with the Bill so that we would have got an opportunity to suggest to the Government whatever suggestions we have to make at this stage. Perhaps—I think—it may be the intention of the Government to come before the House again when the scheme is ready. But then, once the scheme is ready, it is very difficult for the Government to go back and review it. It would have been far better if we were given the scheme at this time so that Government would have been able to incorporate the suggestions made in this House by hon. Members. However, there are many welcome features in this Bill and they are these. In the first instance the scheme is a voluntary scheme. Secondly, I am of the opinion that this scheme will help doctors, lawyers and other professionals, and the small scale industry people, will enable them to make provision for their future contingencies. Thirdly, Madam, I feel that a very good clause has been put in—it is a most welcome clause—and it is to the effect that the amount of subscription which will be paid into this Fund by a subscriber would not be liable to attachment under any decree or order of court in respect of any debt incurred by a subscriber. This is really a very welcome provision because, after all, a small man makes provision for his future by subscribing small amounts to some fund or other and if, for some reason or other, due to his difficulties, he incurs debts at a later stage as a result of which his deposits in the fund become open for attachment, then all the efforts that he had made all along to build his savings would come to nought, and if he is not able to get back the subscriptions he made into this Fund when

he is faced with rainy days, it would be a great disaster. Therefore I congratulate the Finance Minister on this particular clause.

Then, Madam, I want to draw the attention of the House to a provision in the Bill whereunder 50 percent of the subscriptions made by a subscriber into this Fund would be allowed to be withdrawn at a time when he is in need of money. Now perhaps it may be said that the person so doing would be taking undue advantage of the income-tax exemption which has been allowed. But to safeguard against it it has been wisely laid down that this money must remain with Government at least for five years and then only this withdrawal will be allowed. Otherwise there would be the danger of its being misused because, in order to have income-tax exemption, people would subscribe, and then withdraw the subscription.

SHRI SUNDAR MANI PATEL (Orissa): What will happen to those who do not pay income-tax?

SHRI BABUBHAI M. CHINAI: Well, there the question does not arise; if they do not pay income-tax the question does not arise; it is meant for those people who pay income-tax. Today the exemption limit is so low, and if there is any person who has got a little saving and he wants to subscribe to this Fund, he must be paying income-tax; there is no doubt about it in my mind.

Another point, Madam, is about a provision which is proposed to be made to grant loans even during the first five years in case of financial stringency. Now that is not a provision, but the hon. Finance Minister has given an undertaking on the floor of the other House, and to that extent that is also welcome because, that way, the humanitarian aspect of the problems of everybody, of every such subscriber, is taken into account.

Then, Madam, he has also assured that he would make an endeavour to provide for necessary flexibility in regard to the mode of making the subscriptions to suit the prospective subscribers.

And finally there is another welcome provision and it is that in case of death of a depositor the money goes to his legal heir without any difficulty.

Now these are all welcome provisions or proposals, but there are certain provisions which, I personally feel, require reconsideration. One of them is in connection with the Scheme—which is yet to be drawn—and it is in reference to the interest payable for the subscriptions. Now in the matter of the interest, Madam, it is stated that it would not be less than under the Cumulative Deposit Scheme. Now what is the interest paid under the Cumulative Deposit Scheme? It is 4.8 per cent. In these days, when the interest rate of scheduled banks and others is about 9 percent, when an ordinary depositor gets 12 percent, to ask the small subscribers to put in their savings into this Fund at 4.8 percent interest rate is, according to me, very unreasonable. At least 6 percent interest ought to have been given to the subscriptions into this Fund, and I think, 6 percent also, under the present circumstances, would be too less. But at least to start with Government should have been very generous to these small subscribers and said that they would give, to start with, at least 6 percent.

Then, Madam, there is the question of the use to which the Fund subscriptions are put, and the House would like to know how the funds are going to be used. Really it is the apprehension of some Members both in the other House and this House that the funds may again be used for unproductive purposes, for giving them away to the States, for unproductive purposes. Well, if that is not stopped, then the well earned money of the small people would be misused. Therefore, Government should come

[Shri Babubhai M. Chinai]

out and make a statement before the House that they will be very careful in using this money that is coming to them from the small people.

Then the question is: How are you going to use this money? The use of this money should not be left to the sole discretion of the Government or its officers. So I suggest that a committee may be appointed by the Government consisting of both Government officers and financial and economic experts to see that whatever funds are at their disposal, they are invested in fruitful ventures wherefrom there is obtained a good or reasonable return that the money is safe and it is used for productive purposes.

I make another point in connection with these subscriptions. Today we know that the rupee value is going down. Now what is going to be the future value of this money which will be coming to the Government in the form of this Fund, a fund made up of subscriptions to it by small depositors because, if the rupee value is going to go down, and if the index of prices is going to go up, even after fifteen years, whatever money these people will get will have no meaning in real terms, may not have at least the same value as it commands today because, in the meantime, if the prices have gone up by, say, 10 percent or 15 percent or 20 percent then, to that extent, whatever they have saved will be less in value, the former value will have been reduced by that percentage. Therefore, Madam, my humble suggestion to the Government is this, and I make it presently. In the meantime let me ask this. Since the rupee value is going down, what provision is there to protect the intrinsic value of the savings of the subscribers? My suggestion to that is: Why not provision be made to link the value of savings to the cost of living, or the index of industrial securities in order to assure that the present saver will not be at a loss in

the future? Why I am suggesting this is because we have before us this kind of provision in insurance in other countries. Take for instance France; a life insurance policy in France is tagged on to this type of provision, with the result that, even if the value of the Franc goes down, the man who invests in such policies does not at the same time lose. We are today having the General Provident Fund, which means we are trying to look after the welfare of the small people contributing to it. Similar is the case of this Public Provident Fund, and if we are not going to have such a provision, I am afraid a time may come when we may have some difficulty in looking after their welfare because their savings may not have the same value after a lapse of time.

One point more and I have done. Now this will be another institution which, according to me, will take away the savings of the people in general. As it is, Madam, the capital market is dry. The hon. Finance Minister and many hon. Members in this House have always said that we must do something to revive the capital market. Now, when anybody is in the market for getting capital, he has to go the financial institutions to get it, and when the financial institutions pay or underwrite, then my hon. friends on this side always complain that the money is going only to the few who are in the market and who are in need of capital to develop their industries or to float new industrial enterprises. Now this argument cuts both ways. So I would like that, when the Government decides on this Scheme or the investment policy of this Fund, they should take care to see that all the investments do not fall into the hands of a few only, all the investments forthcoming should not be channelised through only this Provident Fund, etc. etc., funds which go to the Government, and thus the private sector is kept dry. I would also submit that it is not my intention to say that the whole money should be diverted to the private sector for

development, a part of it at least, which I have been saying. Similarly here, this Public Provident Fund Scheme should also evolve a scheme whereunder a portion of the funds, say, 25 percent or 30 percent or 50 percent may be invested in the private sector so that, whatever financial stringency there is standing in the way of development of industries in this country, can be overcome. I therefore appeal to the hon. Finance Minister to kindly have a look at this problem from this angle also, so that the objective is served, namely—the interests of the small people, for whom you are making this Provident Fund, are secured, and at the same time the funds are used for productive purposes.

Thank you, Madam.

SHRI CHITTA BASU (West Bengal): Madam, this Bill is named "The Public Provident Fund Bill". But I think you will agree with me that the very connotation of the term "provident fund" indicates that there should be a contribution from both the parties constituting the fund. That is generally the meaning or connotation of the term "provident fund" itself wherever it is to be found. But in this particular case although the name of the Bill is Public Provident Fund there is no obligation on the part of the Government which is also a party to the Fund to contribute to the Fund itself. It is only the subscriber who will contribute although the name of it will be Provident Fund. Therefore this is an anomaly and I think the Government should have given it a different name. It could have been called "Public Savings Scheme Fund" or "Public Deposit Scheme" or something like that. I say this because the term "provident fund" itself should not have been introduced where there is no scope for contribution by the Government.

SHRI A. D. MANI (Madhya Pradesh): Public Savings Fund would be proper.

SHRI CHITTA BASU: There should be the obligation on the other party also to contribute if it is intended to be a provident fund. Therefore my conclusion is that this is a mirage, something deceptive, something to deceive some people because the very words "provident fund" would make some people expect that some contribution would be made by the other party. The name of this piece of legislation itself is deceptive.

May second point is this. I think you will agree with me, Madam, that if the whole scheme of this piece of legislation is based on a particular scheme and that this piece of legislation is the king pin of the entire legislative measure that the Government would propose here then some indication of the entire scheme should have been given to us. There is no indication in concrete terms of the scheme which the Government is going to frame. It is absolutely still in the womb of the future and now the Government asks us to give our opinion on this piece of legislation and also to pass it. They do not let us know in its minutest details what the scheme itself is. How can they expect that any Member of this House will give his considered opinion without knowing the entire scheme which, as I said, is absolutely in the womb of the future? The Government has only given out their ten-point schedule on which that scheme will be based. I think it is not desirable on the part of the Government to ask legislators to pass a piece of legislation without their knowing the minutest details the scheme on which that legislation is based. I think that should be the concern of each and every one of the Members.

Thirdly, Madam, some hon. Members opposite have welcomed this Bill saying that it will be for some social purpose, that this legislation has some social purposes to fulfil. They say that the small man will be encouraged to save. If that were the

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case there should have been some indication as to what would be the rate of interest that the depositor or subscriber would be getting after the expiry of 15 or 5 years. The rate of interest is not indicated. It is not indicated what the subscriber is going to get at present and what he is going to get after 2 or 3 or even 15 years. It is only stated that this will be determined from time to time by the Executive. The Executive will determine from time to time the rate of interest that the subscriber would be getting. Therefore I do not find anything which can really encourage the subscriber to subscribe to this Fund when he knows he would be getting a higher rate of interest if he invests his savings in any other place, even in any bank.

Then again, you find that the subscriber will not be able to withdraw his amount before the expiry of 5 years. He will have to wait for that period if he wants to withdraw a portion of the amount standing to his credit in the Fund. You will also find, Madam, that the entire amount standing to his credit cannot be withdrawn before 15 years. He will have to wait for 15 years for withdrawing the entire amount, even in case of unforeseen calamities. You know, Madam, there are many small people who may be in difficulties, say, in 10 years and who may need this money. Such persons cannot withdraw the entire amount standing of their credit at the time of need, in times of difficulties or natural calamities which cannot be foreseen. Similarly, a subscriber cannot take a loan. He can get a loan only on the basis of certain conditions and what those conditions are we do not know. The subscriber does not know on what conditions those loans would be allowed to him. That also is to be prepared by the Executive and that also remains in the womb of the future.

The only benefit that is being dangled out before the subscriber is that the amount standing to his credit will not be liable to any attachment. The concerned provision says

"The amount standing to the credit of any subscriber in the Fund shall not be liable to attachment under any decree or order of any court in respect of any debt or liability incurred by the subscriber"

Madam, I apprehend something here. This clause puts a premium on dishonesty. We know some people may take some loan from the Government and then declare that they are not in a position to pay it back and then the Government cannot also recover the amount from the amount standing in this Fund against such a person. There is every possibility of misuse of this particular provision as it is embodied in the Bill.

I do not want to discuss the provisions of this Bill in any great detail. But I want to raise two questions. What is the social purpose for which such a piece of legislation has been brought forward? Have they brought it forward because they have some welfare measures in contemplation for the benefit of the low income groups? Or is it the purpose of the Government to see that more and more surplus money now being retained in the sections of society may be mopped up by means of this measure? If the former is the case, Madam, then you will agree with me that there should have been more attractive provisions in the Bill in order to attract the poorer sections of the people to come forward and subscribe to the Fund. There should also be a higher rate of interest. If it is a piece of legislation for a social purpose then there should have been contribution from the Government also in addition to what the subscribers in addition to what the subscribers sections of our people might have been benefited by this legislation and a social objective might have been achieved. If the objective is to mop up the

surplus now in the hands of the affluent sections of society, I fail to see how this measure will achieve that objective. How can we say that this measure will force these affluent people to part with the surplus money with them? How can the Government get at their surplus money and mop it up and get it into the hands of the Government for purposeful investment for the progress of society and in the interest of the community as a whole? There must be much more stringent measures in order to mop up this surplus resources now lying in the hands of certain sections of the people. It may be 75 or 80 but it is a limited section of the people who are holding surplus money with them and not investing them for purposeful purposes. I think that purpose cannot be served by this Bill.

Again one fundamental question comes before us. What is the investment policy of this Fund itself? In the case of the Provident Fund scheme we have seen that there is a controversy between the State Government and the Government of India as to what percentage of that fund should be invested in the State Government and what part of it should be invested in the Central Government. There is also a very strong point raised in this House when some Members expressed doubts about the method of investment of the LIC funds. There have been many questions raised in regard to the investment policy of other financial institutions of the Government. Now my question is this. What would be the policy of the Government in the matter of investment of the funds lying with the Government? Will it be used in the interests of the businessmen, in the interests of the private sector, or will it be used only in the public sector for a purposeful investment in the interests of the community as a whole? If you go through the Schedule itself, Madam, you will find that there is no mention whatsoever about what would be the investment policy of the Fund.

SHRI LOKANATH MISRA: If you invest it in the public sector would you be able to refund the money at all?

SHRI CHITTA BASU: Yes, yes. Why not? Therefore from the point of view of the middle classes . . .

THE DEPUTY CHAIRMAN. You must wind up now. You have taken more time than anyone else.

SHRI CHITTA BASU: . . . I think the Bill is not going to serve any social purpose. It is not going to give any benefit to the low income group people; nor is it going to serve any social purpose for the time being.

Again I have got another doubt. Now all the time the question is raised by the State Governments that they want more money for their developmental work. Now it has been the habit of the Finance Ministry to say that the Centre has got no resources to help the State Governments in the matter of financing their development programme. Now I feel the Finance Minister will come out and say: "here is the public provident fund scheme; raise funds in your own State from among the people of your State and use it for your programmes."

Then even though it is said to be voluntary I have experience of these small savings schemes which are also of a voluntary nature but they do not always remain voluntary. Some big officers in the countryside . . .

THE DEPUTY CHAIRMAN: Please wind up. You have taken fifteen minutes.

SHRI CHITTA BASU: . . . go out into the Districts and say that the particular officer is required to collect such amount of money and they do it either through intimidation or even coercion sometimes. Therefore I apprehend even though it may be said to be voluntary the Government may use compulsion to raise funds and to get them invested in their own way from which the people and the com-

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munity at large would not derive any benefit. Therefore I am totally opposed to this kind of deceptive Bills. It is deceptive, it is a mirage.

THE DEPUTY CHAIRMAN: Mr. Misra, five minutes.

SHRI S. D. MISRA (Uttar Pradesh): Madam, I won't be able to cover my points in that time.

You may therefore ask the Minister to reply.

THE DEPUTY CHAIRMAN: All right; the Minister.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. C. PANT): Madam Deputy Chairman. I have listened to the debate today with great interest and I have gone through the speeches that were made yesterday. It is a matter of gratification that the measure has been welcomed by most of the speakers although some of them I can say at least one of them—have not had any good word to say about it and that was Mr. Balkrishna Gupta. But apart from him all the speakers who participated in the debate did generally seem to subscribe to the objectives of the measure but they did suggest certain modifications. Some of the speakers gave it their outright support and I am grateful to them. I am grateful in particular to my hon. friend, Shri Chengalvaroyan for his very able analysis of the measure. He has made my task very much lighter.

Now one basic point raised by Mr. Chitta Masu was with regard to the nomenclature of the Bill. He said that by calling this a provident fund measure the implication is that the Government must contribute. I think he is aware of the fact that there are provident funds to which the Government does not contribute although they are called provident funds, the General Provident Fund for instance. I would go still deeper and refer him to the dictionary from which he will see that

the word 'provident' means having or showing foresight, thrifty. There is nothing to suggest that the use of the word implies that contribution should be made by Government.

SHRI BHUPESH GUPTA (West Bengal): I am very glad you don't say that provident is very close to Providence which means God and it is God's will.

SHRI K. C. PANT: When you start believing in God I will start believing in many things.

The second question he asked was: what was the difference between savings and this particular measure? Well, in savings you can withdraw at any time you like but here you can withdraw the entire deposits only after the 15-year period. Therefore the element of provision for contingencies is built into the enactment.

SHRI SUNDAR SINGH BHANDARI (Rajasthan): Without any advantage.

SHRI K. C. PANT: I will come to that also.

Yesterday, my hon. friend, Shri Panda, said that agriculturists may not be attracted by this scheme. The scheme is meant for self-employed people and it has certain attractions. Those attractions will apply to anybody who wants to contribute regardless of whether he is a self-employed person or not, regardless of the fact whether he is an agriculturist or not. It is a voluntary scheme and the agriculturists are completely free to join this scheme. It is for them to see whether it is worth-while for them but so far as the scheme goes it is open to them and I do hope that it will be attractive to them also.

SHRI SUNDAR MANI PATEL: Without the restriction on withdrawals.

SHRI K. C. PANT: I will come to the restriction on withdrawal also.

Then Shri Panda made a point with regard to contribution by Government;

today Mr. Chitta Basu also made the same point as also some other hon. Members. Now the concept of contribution, as I said, earlier, arises in certain provident fund schemes in the case of employees as one of their service conditions. Obviously no service conditions are involved here and the whole concept, the whole basis is different. Therefore and in view of the various concessions that have been built in to make the scheme attractive I would request my hon. friend to consider whether the Government would be justified in paying only public money to the contributors, because you have to take the scheme as a whole. You cannot take a little bit and add on a little bit here and a little bit there. You have to see in the totality whether the scheme serves the purpose for which it is meant, whether it is sufficient to attract savings, whether it is sufficiently attractive for the other party to contribute. We are convinced that any contribution would be unjustified. If you look at the scheme in its totality you will find no contribution from the Government is called for. It would amount to an additional gift over and above what we have already provided.

Then Shri Yadhav yesterday made a point regarding the Hindi translation of the Bill. It is my information that the Hindi translation of the Bill as introduced in the Lok Sabha was circulated to all the Members including the Members of the Rajya Sabha and I hope he has got it.

SHRI SUNDAR SINGH BHANDARI: That was in the last session. The new Members have not been given copies.

SHRI K. C. PANT: That must have been the reason. However there has been no change made in the Lok Sabha.

SHRI SUNDAR SINGH BHANDARI: But the point is, new Members have not got it.

SHRI K. C. PANT: I quite understand that the new Members have not got it. Then, he asked pointedly as

to what the attractions of the scheme were. The attractions have already been spelt out by the Deputy Prime Minister while moving the Bill for consideration. There are also indications in the Bill itself as to the attractions that have been provided, but briefly the attractions are exemption from wealth-tax, exemption of the interest from income-tax and also reduction in income for purposes of tax liability. These are the three attractions and over and above that there is immunity from attachment, which is a very big attraction. Then, of course, there is the liberty to withdraw under certain conditions, liberty to receive loans under certain conditions and so on. These are the various attractions in the scheme.

Then, the point was made about the withdrawal period, as to why it should be necessary to keep the money for five years before you can withdraw it. Even amendments have been tabled suggesting that there should be provision to withdraw after two or three years. Now, my hon. friend, Shri Babubhai Chinai, who understands these matters better than most of the persons in the House, has made the point that since substantial tax concessions are built into this enactment, any shorter period could be taken advantage of for the avoidance of tax. I am sure the House will take his words on this, because he is more knowledgeable and it is obvious ..

SHRI BHUPESH GUPTA: Knowledgeable in what respect?

SHRI K. C. PANT: In understanding tax measures.

SHRI BHUPESH GUPTA: Or in avoidance and evasion of taxes.

SHRI BABUBHAI M. CHINAI: I am not interested in this, but it is going to be done.

SHRI K. C. PANT: I should have expected my hon. friend, Shri Bhupesh Gupta, to resist that obvious pun. It is an obvious pun, but it is not in very good form, if I may say so.

SHRI BHUPESH GUPTA: In which remark?

SHRI K. C. PANT: Then the point whether the Rs. 10 crore estimate is accurate or not was made. Even if it is not accurate, even if we get something less, the point is that the State Bank will be actually handling this work of receiving subscriptions, allowing withdrawals etc. from the fund—all the branches of the State Bank and its subsidiaries. There is no separate organisation that is going to be built up for this purpose. Even if something comes in, we need not be worried about it, but we certainly hope that we can achieve the target which we have set before ourselves.

Then, the point was made why we should not invest from the fund. Well, the whole point, in this measure, is that these would be savings which would accrue to Government. They will go into the general fund and will form part of Government funds. Apart from other considerations, this will contribute to making the funds absolutely secure. There is no greater security than Government. This fact also has to be kept in mind.

Then, other points were made by some hon. Members to which I shall briefly refer. **Shri Balkrishna Gupta** said that the rate of interest has not been indicated in the Bill. It is true that it is not indicated in the Bill, but it was indicated in the speech of the Deputy Prime Minister while moving for consideration of the Bill.

SHRI CHITTA BASU: Speeches are not enough.

SHRI K. C. PANT: The scheme will come before you later. He said that pass-book should be provided. A pass-book will be provided and it will be issued by the State Bank, which will receive subscription to this fund. He said that people will not contribute and not enough will come in. Then, he made all kinds of complaints. There is no compulsion. We certainly hope

that the scheme is attractive enough and will attract the kind of deposits which we expect.

Then hon. Member, **Shri Purkayastha**, said that this should attract the poor people and the interests of the poor people should be protected. A maximum of Rs. 15,000/- has been deliberately chosen in order that this would not become a means for people with larger incomes to contribute and avoid taxes.

My hon. friend, **Shri Babubhai Chinai** said that the scheme should have been built into this enactment itself. He also said that if it comes before the House later, Government would be reluctant to review it. The reluctance of the Government is a common factor, whether it comes now or later and he should not be apprehensive merely because it is going to come up later. I do not know if that is any satisfaction to him.

Now, coming to the interest rate, my hon. friends, **Mr. Chitta Basu** and **Mr. Babubhai Chinai**, joined so many others in suggesting a higher interest rate.

SHRI BABUBHAI M. CHINAI: He joined me.

SHRI K. C. PANT: The point was made that the bank rate is higher, but it was forgotten that there is no tax exemption, if the bank pays any interest. That has to be taken into account and it is a very significant concession.

SHRI BABUBHAI M. CHINAI: But the return would be very insignificant.

SHRI K. C. PANT: How is the return insignificant? (*Interruption*). The sum of Rs. 15,000 a year is the limit. I will give you the figures later if you like. I have some figures to give to **Mr. Chitta Basu** when he moves his amendment. The second point is that there are already significant concessions built into this. As I said earlier, you have to see the totality of the scheme, not merely isolate the interest.

You have to see all the elements of the scheme, whether the whole scheme is attractive. I think the whole scheme is attractive enough.

One point that Shri Chitta Basu made is that somehow the scheme will serve social security better if there is a higher interest rate. This is a point which I have not understood. The transfer of resources from the Government to private individuals, I think, is not something which according to his belief would serve a higher social purpose.

SHRI ARJUN ARORA (Uttar Pradesh): That depends upon who the individuals are.

SHRI K. C. PANT: Then, my hon friend, Shri Chinai, suggested that we should have a committee which would go into the spending of the fund. Well, the same could be said of income-tax revenue and all other revenues of the Government.

SHRI BABUBHAI M. CHINAI: Do not mix up.

SHRI K. C. PANT: There are also loans and other savings. After all, the post office savings certainly come to the Government and Government has got the responsibility to see that they are used properly. I think that it is not necessary to have a committee specially for this or for that matter for any of the other purposes.

I think I have dealt with most of the points. Madam, as I said earlier, this is an enabling enactment. Later on, when the scheme itself is prepared, it will come before the House in all detail and, as already indicated by the Deputy Prime Minister, if necessary, the House can discuss the scheme at that time. The House will have another opportunity of going into those aspects which have not been spelt out in the Bill or even in the clarifications made by the Deputy Prime Minister or myself at this stage.

SHRI BABUBHAI M. CHINAI: On a point of clarification, the hon. Minis-

ter has said that under the provisions to be made, this scheme will be implemented by the State Bank of India. If we want to have money from everybody who can afford to contribute to this fund throughout the country, why is it restricted to the State Bank? Why not the scheduled banks? The scheduled banks may not charge any commission for doing this work, but they should also be included so that all sources will be tapped.

4 P.M.

SHRI K. C. PANT: If the scheduled banks make an offer of that kind, we will consider it at that stage.

THE DEPUTY CHAIRMAN: The question is:

"That the Bill to provide for the institution of a provident fund for the general public, as passed by the 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.

Clause 2 to 4 were added to the Bill.

CLAUSE 5—INTEREST

SHRI CHITTA BASU: Madam, I move:

(1) "That at page 2, after line 20, the following proviso be inserted, namely:—

'Provided that the rate of interest shall not be less than the usual rate of interest paid by the Scheduled Banks for fixed deposits.' "

SHRI J. P. YADAV (Bihar): Madam, I move:

(5) "That at page 2, after line 20, the following proviso be inserted, namely:—

'Provided that the rate of interest shall not be less than the

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usual rate of interest paid by the Banks for fixed deposits or the interest paid on the subscriptions to the General Provident Fund and Employees' Provident Fund.' "

The questions were proposed.

SHRI CHITTA BASU: Madam, when I tabled this amendment, I had the idea as I heard the Deputy Prime Minister that the scheme was meant for the poor people. Now after hearing the Minister, am I to assume that the Government has got the big people in its view? My idea was to give the poor people a higher rate of interest because it is the smaller people who will join this Fund. Therefore, what was wrong if a poor doctor or a poor lawyer or a middle class group person gets his money deposited in the scheme and gets a higher rate of interest particularly at the rate of the bank? If the purpose of the Fund is to help or provide some sort of social security to the smaller sector of our people, then I feel that this kind of proviso should be added:

"Provided that the rate of interest shall not be less than the usual rate of interest paid by the Scheduled Banks for fixed deposits."

Therefore, I moved it because I have got those middle income group people in my view. But if it is meant for the big people, I am prepared to withdraw it.

श्री जे० पी० यादव : माननीय उप-सभापति महोदया, जब इस विधेयक को देखता हूँ कि वह भविष्य निधि के नाम से आता है तो अभी तक प्रचलित नियम के अनुसार भविष्य निधि में भी सरकार ने कुछ लगाया है। अभी माननीय मंत्री महोदय ने बताया कि सरकार इसमें कुछ लगाने नहीं जा रही है, लगाने का विचार भी नहीं है तो कम से कम यह जो भविष्यनिधि के बारे में जो बात लोगों के दिमाग में प्रचलित है तो उसको भ्रमित करने का विचार सरकार न करे।

जैसे सेविंग डिपॉजिट, या अल्पबचत योजना जैसी जो योजनायें बनाई गई थीं उसी तरह का नाम दिया होता तो लोगों को भ्रम नहीं होता। उन्होंने बताया कि लोगो को क्या इसके प्रति आकर्षण हो सकता है। यदि सरकार का इरादा है कि भविष्य निधि नाम रखने से लोगों को आकर्षण होगा, और बड़ों को नहीं तो छोटे लोगों को कम से कम आकर्षण होगा, तो भविष्य निधि में लोगो के जमा करने के साथ साथ सरकार को भी कुछ जमा करना चाहिये।

दूसरा भ्रम यह है कि आपने निश्चयपूर्वक जो इसका नाम भविष्य निधि रखा, तो भविष्य निधि में जब जो सूद लोगो को और जगह जमा करने में मिलता है वह मिलना आवश्यक है जैसे फिक्स्ड डिपॉजिट में ज्यादा से ज्यादा साढ़े सात प्रतिशत दिया जाता है उसी तरह से प्राविडेंट फंड और इम्प्लायी प्राविडेंट फंड में 4 या साढ़े 4 प्रतिशत सूद दिया जाता है तो इस प्रकार का भ्रम डिपॉजिटर के दिमाग में बना रहता है। वह भ्रम नहीं रहना चाहिये इसलिये मैं चाहता था कि आज कुछ घोषणा करते कि इसका सूद इस दर पर होगा। जब तक आप इसकी घोषणा नहीं करने तब तक लोगों के मन में भ्रम बना रहेगा। लेकिन अगर, आपके मन में कोई ऐसी बात हो कि भ्रमवश ही हम पैसा जमा करा ले तो बात दूसरी है। यदि आपकी नीति भ्रमवश जमा कराने की नहीं है तो कम से कम आपको इस बीच में कुछ न कुछ स्पष्टीकरण देना चाहिये आप कहते हैं कि स्पष्टीकरण के साथ एक योजना आयेगी, उसमें सारी बातों का स्पष्टीकरण होगा। लेकिन यहाँ पर जब एक बिल विवेचन के लिये लाया गया है तो मैं चाहूंगा इसका स्पष्टीकरण हो जाना चाहिये कि जमा करने वालो को क्या-क्या सुविधा है।

एक और बात मैं कहना चाहता हूँ। आप हमेशा बड़े और छोटे का विवाद करते हैं।

जब आपने एक योजना ली तो बहुत से मध्यवर्तीय वर्ग के लोगों के लिये भी सर्वेस बचत होगी। अगर न्याय के नाम पर किसी को न्याय मिलता है तो मिलना चाहिये जैसा कि कहा गया है क्रिमिनल प्रोसीजर कोड में कि अगर एक आदमी निर्दोष है और उसकी निर्दोषता के चलते दूसरे लोग जो दोषी हैं छूटते हैं तो निर्दोषी को बचाने के लिये दोषी को भी छोड़ देते हैं। हो सकता है यहाँ पर आज एक सवाल उत्पन्न हो जाता है कि बड़े लोगों को कैसे तंग किया जाये, छोटे लोगों को कैसे प्रोत्साहन दिया जाये, वहाँ पर ऐसा विचार हो चूक कि बड़े लोग ज्यादा आराम में हैं, अपनी सम्पत्ति का सदुपयोग कर जीवन का ज्यादा लाभ उठा रहे हैं जबकि गरीब लोग रोटी का प्रश्न लेकर ही परेशान होते हैं, फिर भी जहाँ पर आप अन्याय की बात लाते हैं, जहाँ पर आप कानून बनाते हैं वहाँ पर गरीब और अमीर का सवाल नहीं। जो कानून आप बनाते हैं वह दोनों के लिये ठीक ठीक हो, इसको देखना जरूरी है। वरना मैं एक बात आपको कहना चाहता हूँ . . .

THE DEPUTY CHAIRMAN: Mr. Yadav, you should not make a speech. You must just speak on your amendment and just keep to the amendment itself. No further remarks. You give the reasons why you are pressing the amendment.

श्री जे० पी० यादव : महोदया, इसीलिये मैं कह रहा था कि कानून अपने बीच से पारित होकर ऐसा न चला जाये कि कोर्ट में चर्लेंज हो जाये और कोर्ट द्वारा गलत साबित हो जाये। कोई भी कानून ऐसा नहीं जाना चाहिये जो अस्पष्ट हो जिसकी पूरी व्याख्या नहीं हो और लोगों को भ्रम में डाले और कोई चुनौती दे दे तो वह भ्रम निवारण के बदले में यह कानून ही चला जाए। इसलिये मैंने अपने मंत्री महोदय को इस ओर इंगित कर दिया।

SHRI K. C. PANT: Madam, I had made an attempt in my earlier intervention to explain exactly why the rate of interest could not be higher or should not be higher than the one that has been provided for. It is not true, as my hon. friend Shri Yadav says, that no indication has been given of what the interest rate will be. An indication has been given. It will be related to the interest rate that the Government pays on the 15-year cumulative time deposits. This is also for a 15-years period. It is also a type of cumulative time deposit. Therefore, that is the correct scheme to compare. The interest rate should be related to that. That is what we have done. I think that is only appropriate. For the present the rate is 4.8 per cent compound.

My hon. friend, Shri Chitta Basu, said that only poor people can contribute. Anyone can contribute to this. Even the richer people are not debarred from contributing to this. But they can only contribute to the extent of Rs. 15,000 a year. They cannot take advantage of the tax concessions that have been given beyond Rs. 15,000. That is why the ceiling has been put.

SHRI BHUPESH GUPTA: That means that Mr. Dalmia can contribute several lakhs.

SHRI K. C. PANT: How?

SHRI BHUPESH GUPTA: There are his wives and his children. So, 21 x 15,000, how much it comes to?

SHRI K. C. PANT: Any individual can contribute Rs. 15,000. If everybody contributes Rs. 15,000 . . .

SHRI BHUPESH GUPTA: A particular contributor cannot contribute more than Rs. 15,000. Mr. Dalmia has 21 children. Therefore, 15,000 x 21 can come from that source, plus those of four wives plus that of Mr. Dalmia.

THE DEPUTY CHAIRMAN: How can you stop that?

SHRI K. C. PANT: He knows all the personal details, all the personal history of those people.

SHRI BHUPESH GUPTA: We used to receive telegrams from one of Mr. Dalmia's wives like "on behalf of us and 21 children".

SHRI K. C. PANT: Not having a wife of his own he keeps track of those of other people.

SHRI BHUPESH GUPTA: The late Prime Minister, Shri Jawaharlal Nehru, informed us that he had received a telegram. We said we too had received. That was kept by Prime Minister Nehru.

SHRI K. C. PANT: I welcome this intervention because it only underlines the need to strike a balance in this matter. You should not provide so much of tax concessions that anybody can take advantage of it in the manner in which Mr. Bhupesh Gupta just indicated. I think Shri Chitta Basu heard him; that is a powerful statement . . .

SHRI CHITTA BASU: It is all deception. Why do you say that the scheme is meant for the small and poor man, for people who have a limited income? It is all deception. You are misleading the House.

SHRI K. C. PANT: Shri Bhupesh Gupta has understood the point, he will explain it to you.

I would like to give some concrete figures. Let me give you, Madam, what actually it will come to in rupees, and paise at a certain level because that will clear up much of the misunderstanding in the House. For instance, at the income level of Rs. 30,000 per annum, a person contributing Rs. 500 per month would secure a deduction of Rs. 3,500 from his income for the purposes of tax. This would give him a tax rebate of Rs. 1,540. Further, tax-free interest of 4.8 per cent would amount to a little over 8.5 per cent taxable, which is very much more than what even the commercial banks pay. And this

is the reason why we cannot accept his amendment.

THE DEPUTY CHAIRMAN: Mr. Basu, are you pressing your amendment?

SHRI CHITTA BASU: He should clear up that point.

THE DEPUTY CHAIRMAN: That stage is over. You should say whether you are pressing your amendment or not.

SHRI CHITTA BASU: Then I withdraw. I do not want to fall into any trap.

Amendment No. 1 was, by leave, withdrawn.

THE DEPUTY CHAIRMAN: Mr. Yadav, are you withdrawing your amendment?

SHRI J. P. YADAV: Yes.

Amendment No. 5 was, by leave, withdrawn.

THE DEPUTY CHAIRMAN: The question is:

"That clause 5 stand part of the Bill."

The motion was adopted.

Clause 5 was added to the Bill.

Clause 6—Withdrawals

THE DEPUTY CHAIRMAN: There are five amendments. Amendments Nos. 2, 3 and 7 are in the name of Shri Chitta Basu. Are you moving them?

SHRI CHITTA BASU: I do not want to move them because he has not cleared up anything.

THE DEPUTY CHAIRMAN: Amendments Nos. 6 and 8 are in the name of Shri Yadav. Are you moving them?

SHRI J. P. YADAV: Yes, Madam. I move:

6. "That at page 2, line 35, for the words 'five years' the words 'three years' be substituted."

8 "That at page 3 line 3, for the words 'fifteen years' the words 'ten years' be substituted

The questions was proposed

श्री जे० पी० यादव मेरा सगाधन यह है कि विधेयक में मूद के बारे में जो बात बतलाई गई है उसके संबंध में मैं यह कहना चाहता हूँ कि सरकार की जो मूद्रा है उसका अवमूल्यन होता रहता है। इस बात की गारन्टी सरकार ने नहीं दी है कि अगर उसकी मूद्रा का अवमूल्यन होगा तो जो रुपया आज जमा होगा, दार्तीन वर्ष के बाद उसकी कितनी कीमत होगी। हा सस्ता है मूद लेकिन भी उसका रुपया कम पड़े। यह तो एक बात है।

दूसरी बात में यह कहना चाहता हूँ कि आज जो आदमी अपनी बचत का रुपया भविष्य निधि में लगाता है। लेकिन उसके जीवन में चाहे परिवार में ऐसी आवश्यकता आ पड़े जिसके कारण वह पांच वर्ष के लिये नहीं ठहर सकता है। हा सस्ता है कि वह रुपया जमा रहे और उसका बीमार लड़का मर जाय। हो सकता है कि वह रुपया जमा रहे और वह अपने लड़के की शिक्षा का प्रबंध न कर सके। अगर उसका व्यवसाय में घाटा हो जाय तो वह व्यवसाय का फिर से खड़ा करने के लिये अपने जमा किये हुए रुपयों का उपयोग न कर सके जब कि उसकी आवश्यकता है। इसलिये मैं माननीय मंत्री जी से कहना चाहता हूँ कि उसकी आवश्यकता का देखते हुए उसकी मांग ठीक है, उसके घर में बीमारी है, उसका लड़के के लिये शिक्षा देने के लिये रुपयों की आवश्यकता है तथा व्यवसाय में जो घाटा हो गया है उसको ठीक करने के लिये रुपये की आवश्यकता है। तो मेरा निवेदन है कि ऐसे अवसरों के लिए जो मरतीन वर्ष दिए जाय तो मैं समझता हूँ कोई बुरा नहीं होगा।

SHRI K C PANT Madam, there is a provision for withdrawals but the

provision is that it should be after five complete financial years and it is up to the extent of 50 per cent. As I indicated earlier, there are substantial tax concessions which have been given in this enactment and if we reduce the period then it would be possible to put the money, take it after two years and put it back again and so on. It gives a larger tax concession than we intend to provide. Therefore, I hope the hon. Member will understand that we do not want anyone to misuse the provision, and we have provided a certain minimum period.

THE DEPUTY CHAIRMAN Mr Yadav are you pressing it?

श्री जे० पी० यादव महोदय मैं इस संबंध में एक बात कहना चाहता हूँ। मैंने 3 वर्ष वाला तो मूव कर दिया है।

THE DEPUTY CHAIRMAN मों सा क्लोज है।

Once you have moved, it is moved, and you have got the answer. Are you pressing your amendment?

SHRI J P YADAV No

Amendment No 6 was by leave, withdrawn

THE DEPUTY CHAIRMAN The question is

That clause 6 stand part of the Bill.

श्री जे० पी० यादव मैं नम्बर 8 के बारे में कहना चाहता हूँ।

THE DEPUTY CHAIRMAN Which clause?

श्री जे० पी० यादव इसीलिए मैंने आप से आग्रह किया था कि तीन वर्ष की बात तो मैंने कह दी है और जो 15 वर्ष की बात है उसके सम्बन्ध में उनसे क्या विचार है।

THE DEPUTY CHAIRMAN I have put clause 6

श्री जे० पी० यादव : उन्होंने मेरी बात का जवाब नहीं दिया ।

SHRI K. C. PANT: The scheme is meant for long-term savings and hence we cannot do so.

THE DEPUTY CHAIRMAN: I do not think this is the right procedure. You have put your amendment and the answer is given. You cannot argue now. Are you withdrawing amendment No. 8.

SHRI J. P. YADAV: Yes.

Amendment No. 8 was, by leave, withdrawn.

THE DEPUTY CHAIRMAN: The question is:

"That clause 6 stand part of the Bill."

The motion was adopted.

Clause 6 was added to the Bill.

Clauses 7 to 12 were added to the Bill.

The Schedule

SHRI CHITTA BASU: Madam, I move:

4. "That at page 5, after line 8, the following be inserted, namely:

'(2A) The manner in which the subscriptions to the Fund may be invested.'"

The question was proposed.

SHRI CHITTA BASU: Madam, in the Schedule there are ten points on the basis of which the scheme is going to be prepared by the Government. But in that Schedule you will find, to your great surprise, that there is no mention as to what would be the policy of the Government with regard to the investment of the funds. Now, the Government estimates that there will be Rs. 10 crores in the first year and I hope that Government will get some more crores at their hands under this scheme. As I have observed earlier, the Government should come and announce definitely and specifically as to what

would be their policy about the investment of the fund because I am one of those who do not feel that the money should be utilised for a particular business group to earn their profit, which I think is not in the interests of the community.

THE DEPUTY CHAIRMAN: That argument has been given.

SHRI CHITTA BASU: Therefore, the Government should say that the funds would be invested in public undertakings only and that investment should be made with much amount of caution. Therefore, my point is that in the Schedule the specific manner in which the funds would be invested should also find a place and the Government should also come out with a policy about that so that the repetition is not there as in the case of the LIC and other financial institutions.

SHRI K. C. PANT: Madam, as I indicated earlier, the deposits that will be collected will form part of the Government funds, of Government balances and there is no question of Government investing them. So, where is the need for putting anything specific here? We shall take all the views that have been expressed into consideration while framing the scheme.

THE DEPUTY CHAIRMAN: Are you pressing?

SHRI CHITTA BASU: Yes, Madam.

THE DEPUTY CHAIRMAN: The question is:

4. "That at page 5, after line 8, the following be inserted, namely:—

'(2A) The manner in which the subscriptions to the Fund may be invested.'"

The motion was negatived.

THE DEPUTY CHAIRMAN: The question is:

"That the Schedule stand part of the Bill."

The motion was adopted.

The Schedule was added to the Bill.

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

SHRI K. C. PANT: Madam, I move:

"That the Bill be passed."

The question was proposed.

SHRI SUNDAR MANI PATEL: Madam Deputy Chairman, although I agree with the spirit of the Bill I have got great apprehension that the Government may play foul with the subscribers because the Government, I have reason to believe, has not yet come forward with the scheme which is the base of this piece of legislation.

Secondly, I do not find any difference between the two legislations, this one and other one which was put on the Statute Book in the year 1963, namely, the Compulsory Deposit Scheme by the same Finance Minister. The only difference is while this one is voluntary the previous one was compulsory. I am now thankful to the Finance Minister that he has learnt the word "voluntary" after he was made to resign from the Finance Ministry "voluntarily".

THE DEPUTY CHAIRMAN: You want to answer to the word "voluntarily", how he resigned voluntarily?

SHRI K. C. PANT: Madam, the first thing the hon. Member said was that the scheme is the basis for the Bill. I would like to clear this confusion about the concept. The Bill is the basis for the scheme, Madam.

THE DEPUTY CHAIRMAN: The question is:

"That the Bill be passed."

The motion was adopted.

THE DEPUTY CHAIRMAN: We pass on to the next item.

RE DEMONSTRATION IN FRONT OF PARLIAMENT HOUSE BY KUTCH SATYAGRAHIS

श्री राजनारायण (उत्तर प्रदेश) : माननीया, मैं एक जानकारी करना चाहता हूँ।

उपसभापति : अब क्या है !

श्री राजनारायण : मैं इसके बारे में नहीं कह रहा हूँ। घर मंत्री जो हमारे सचिवजी के पास आये थे तो मैंने यह समझा था कि हमारा जो सवाल है उसके बारे में जानकारी शायद किये होंगे। इस समय कोई 186 आदमी यहाँ पर फिर गिरफ्तार हुए हैं।

(Interruption)

प्रभू नारायण जी, भूतपूर्व उद्योग मंत्री उत्तर प्रदेश, प्रयाग नारायण जी मध्य प्रदेश ये दो संयुक्त सोशलिस्ट पार्टी के मेम्बर हैं, और डा० चन्द्राणी, श्री रामगोपाल गुप्त, श्री गया प्रसाद, श्री जयराम दास, श्री राम स्नेही शुक्ल, श्री सुधाकर मिश्र, ये जनसंघ के सदस्य हैं और इन लोगों को काफी चोट आई है, किसी के मस्तिष्क पर चोट है, किसी के पैर पर चोट है और सब के कपड़े फटे हुए हैं। मैं जानना चाहता हूँ आपके जगहों कि घर मंत्री जो चाहते क्या है? क्या यह चाहते हैं कि जब सरकार स्वतः तलवार के बल पर चले तो उसको उलटने के लिये भी तलवार वा इस्तेमाल हो। यह बहुत ही गलत हो रहा है। हमारी राजधानी में पार्लियामेंट के भग्ने इसके गेट पर शांतिप्रिय मत्याग्राही आते हैं, उनके पास न डंडा रहता है, न कोई तलवार रहती है, न भाला, न बन्दुक। इसलिये कम से कम उनके साथ जनतंत्रीय व्यवहार होना चाहिये।

THE DEPUTY CHAIRMAN: I think this was permitted to be discussed at 2 o'clock when the House