

*Clause 2 was added to the Bill.*

*In Clause 1, there is one Amendment by the hon. Minister.*

*Clause-1 Short Title and Commencement*

**श्रीमती रेणुका सिंह सरुता:** महोदय, मैं प्रस्ताव करती हूँ:-

कि पृष्ठ 1, पंक्ति 1 में "उनहत्तरवें" शब्द के स्थान पर "सत्तरवें" शब्द को प्रतिस्थापित किया जाए।

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

*Clause 1, as amended, was added to the Bil..*

MR. CHAIRMAN: In the Enacting Formula, there is one Amendment by the hon. Minister, Shrimati Renuka Singh Saruta.

*Enacting Formula*

**श्रीमती रेणुका सरुता:** महोदय, मैं प्रस्ताव करती हूँ:-

कि पृष्ठ 1, पंक्ति 3 में "द्वितीय" शब्द का लोप किया जाए।

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

*The Enacting Formula, as amended, was added to the Bil.*

*The Title was added to the Bil.*

MR. CHAIRMAN: Shrimati Renuka Singh Saruta to move that the Bill, as amended, be passed.

**श्रीमती रेणुका सिंह सरुता:** महोदय, मैं प्रस्ताव करती हूँ:-

कि विधेयक को यथासंभावित रूप में पारित किया जाए।

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

**The International Financial Services Centres Authority Bill, 2019**

THE MINISTER OF FINANCE; AND THE MINISTER OF CORPORATE AFFAIRS (SHRIMATI NIRMALA SITHARAMAN): Sir, I move:

[Shrimati Nirmala Sitharaman]

"That the Bill to provide for the establishment of an Authority to develop and regulate the financial services market in the International Financial Services Centres in India and for matters connected therewith or incidental thereto, as passed by Lok Sabha, be taken into consideration."

*The question was proposed.*

SHRI BINOY VISWAM (Kerala): Sir, I am on a point of order.

MR. CHAIRMAN: What is your point of order?

SHRI BINOY VISWAM: Sir, in the List of Business that we got, there is no mention of such a Bill.

MR. CHAIRMAN: Supplementary List of Business has been circulated and the Chairman has approved it. Okay, he has raised a doubt. I have to clarify it. Mr. Jairam Ramesh, you have not given your name. But, I will give you time. Now, Shri A. Navaneethakrishnan.

SHRI A. NAVANEETHAKRISHNAN (Tamil Nadu): Sir, I rise to support this Bill. Now, the entire world has become a global village, and technology has taken over all other institutions. Now, in the world of technological era, the modern financial institutions and financial tools are coming into operation, and to regularize the financial centres, now, an Authority is going to be established under this Act, and the Authority which had already been established, is also coming under the purview of this Act. I welcome this Bill.

SHRI JAIRAM RAMESH (Karnataka): Sir, I rise to speak very briefly on the International Financial Services Centres Authority Bill, 2019, which seeks to set up an Integrated Financial Regulator for International Financial Centres. Sir, right now, in India, we have only one International Financial Centre that is going to be regulated by this Bill. This Bill is to create a Regulator for the much wanted grandeur project called, GIFT, the Gujarat International Financial Hitech City. The GIFT city was set up under the SEZ Act of 2005, and it is part of the dream of the then Chief Minister of Gujarat to create a Singapore or Dubai on the Sabarmati. Many more such centres may undoubtedly come up but, as of now, this regulator, which will come into being

after the Bill is passed, is meant to regulate economic and commercial activities in the GIFT City, which is about eight kilometres from Gandhinagar.

Sir, I would like to ask of the hon. Finance Minister one thing. GIFT was launched with a great fanfare. And it was expected that when fully developed over a period of a decade, about 62 million square feet of commercial space would become available for investors, both domestic and international. However, after almost nine years of existence, out of 62 million square feet, according to the information that I have been able to get, less than three million square feet of commercial property has actually been developed uptil now. This is an abysmal rate of progress and, obviously, Sir, the ambition with which GIFT was created is yet to be fulfilled. I hope, it will be fulfilled but, at the end of nine years, it can't be said that GIFT is a success story. In fact, in the last one year, GIFT has been at the centre of a controversy because its joint venture partner, IL&FS went completely bankrupt and created a ripple effect in India's NBFC sector, one consequence of which has been the dramatic, continuing economic slowdown.

However, it is coming out of that controversy and one can only wish GIFT all the very best. But, I do wish to make the point that this Bill, right now, is going to create one authority for one agency or entity. Hopefully, there will be more such entities that will get created but, as of now, this is the gift for GIFT, to use your language!

Sir, one or two questions I want to ask of the hon. Finance Minister. In an international financial centre, will the rupee be completely convertible? Right now, the rupee is convertible on the trade account. We don't have a full capital account convertibility. However, if the ambition is to create Singapores and Dubais in India—I would like the Finance Minister to share with us whether there are, in fact, similar proposals to develop Singapores and Dubais in India like GIFT cities—what does it do to capital account convertibility of the Indian rupee? Will the rupee be capital account convertible in these enclaves? Sir, Singapore and Dubai are not enclaves. They are city-states. However, the SEZ Act of 2005 creates enclaves within the larger territory of India and one should be very clear on what is permissible in the enclaves and what is not permissible. So, in the expectation that, ultimately, this regulator will regulate international financial centres, I was seeking this clarification from the Minister.

[Shri Jairam Ramesh]

Finally, Sir, this regulator is going to take over functions of the RBI, it is going to take over functions of SEBI, it is going to take over functions of the Insurance Regulator, and it is going to take over functions of the Pension Regulator. Four regulators! It is a nine-member authority out of which six members are part-time and three members are full-time. Sir, I don't see the logic of having nine members out of which a majority are part-time.

One would have expected that the Government were serious about this regulation and serious about creating international financial centres, although, Sir, I must say that with the current state of the world economy and the current state of the Indian economy, the hope that we will create more such Gandhinagar type GIFT entities is going to remain a mirage. However, even so, we pass a law not for today; we pass a law for the next five to ten years. I would like to get, from the hon. Minister, clarity on the structure of the organization she has proposed.

Sir, with these words, I just want to say that we will support the Bill, obviously. It has come. I wish we had more time to study the implications of this Bill. I would like to remind the hon. Finance Minister that SEBI was set up in 1988 by an executive order. It got legislative sanction only in 1992. So, you could have set up this regulator, given more time to Parliament to scrutinise this legislation and then come forward to Parliament. However, she wants this Bill passed today. It will be passed with these caveats that I have entered. Thank you, Sir.

DR. AMAR PATNAIK (Odisha): Sir, I will deal with this Bill on two aspects. One is the structural and the other one is the functional. On the structural aspect, of course, since this is going to be an inter-regulatory coordination, under Clause 17 of the Bill, a performance review Committee is to be set up to review Authority's functioning. This Committee has two Members of the IFSC Authority itself. Wouldn't it create a situation of conflict of interest? It is because these two Members who would be actually exercising authority to coordinate the activities of inter-regulatory coordination would be in a position to exercise over-sight over their own performance. The Authority controls crucial facts/facets regarding the Committee's operation creating further scope for conflict of interest. Therefore, greater over-sight maybe required. Sir, secondly, one of the key aspects of this centre would be how

to ensure contract enforcement in case of repudiation and what would be the dispute resolution mechanism. There is nothing in the Bill about this thing. On the functionality aspect, taking from what Shri Jairam Ramesh said about the GIFT, I think, until August, 2019, very recently, the position is, the network between the various stock exchanges has not taken place. Therefore, off shore trades to the GIFT has itself not taken place. Now, how to bring about this? Migration in volumes is very important for these exchanges. The second is on the rupee derivatives. I would like to know whether trading in rupee derivatives, as suggested by the RBI taskforce on off shore rupee markets, is going to take place because that has been a bottleneck in GIFT itself. The third one is, Dubai, Singapore, one of the pillars of their successful functioning, has strategic location. Now, relocation is not easy in GIFT, as hon. Member Shri Jairam Ramesh said. People have not come in to occupy their space. Market intermediaries and market participants ultimately make this particular authority successful or this particular centre successful. Unless this happens in the SEZs you can only have a structure, but it could probably not be delivering the kind of results that you want to get offshore trade into the country. Thank you, Sir.

MR. CHAIRMAN: Shri P. Wilson. Not present. Dr. Santanu Sen.

DR. SANTANU SEN (West Bengal): Sir, before coming to certain points, I would like to highlight certain issues retrospectively. What is the idea of bringing this IFSC Authority Bill? It is to regulate the existing IFSC centres. What is this IFSC centre? The idea was to build up IFSC centre in each and every Special Economic Zone. What is this Special Economic Zone? As per 2005 Special Economic Zone, almost each and every State was supposed to be having demarcated Special Economic Zone. Now if I start from the reverse direction, at present, there are hardly eight to nine active Special Economic Zones in the country. Secondly, as far as the IFSC centres are concerned and as far as my information goes, there is only one existing IFSC centre and that is in Gir city, Gujarat. If you go through the history, you will come to know that initially, the first IFSC centre was supposed to be built in Mumbai. But, I don't know what the reason was. It was decided in the Vibrant Gujarat Global Investors Summit 2017 that it is not Mumbai, it is Gujarat which will be getting the GIFT City.

[Dr. Santanu Sen]

Sir, let me draw the attention of the House to the present scenario of the GIFT City which is the only existing IFSC in the country. Sir, it is using 359 acres of land. It has 110 buildings. It is using 6.2 crore sq. ft. area. Ideally, out of this, 67 per cent is supposed to be utilized for commercial purpose, 22 per cent is supposed to be utilized for residential purpose and 11 per cent is supposed to be used for social purpose. But, till now, only 20 lakh sq. ft. area is operational and the rest is underutilized!

The second point is: What is the current status? How much fund could we receive from the existing IFSC's GIFT City? No official data is available. So, my humble request to the hon. Minister is to kindly provide us proper data.

Now, Sir, let us come to the Bill. As nicely spoken by the previous speakers, I have got some queries about the composition of the Authority.

Last but not the least, you look at Clause 17(1) which talks about Performance Review Committee. It is very funny to see that two members of the existing Committee will be judging the performance of others! Likewise, those who are the constituents of the Committee will be reviewing their own performance! What best can we expect from them? So, my first suggestion to the hon. Minister is, let us try to build up the Indian economy. Let us have good information and let us have the best possible effort to increase India's GDP and then let us try to build up SEZ in each and every State. Let us make each and every SEZ operational. And then, let us try to bring more and more IFSCs in the country and only then proper utilization of this Bill will take place. Thank you.

**श्री सभापति (महाराष्ट्र):** श्री हुसैन दलवाई।

**श्री हुसैन दलवाई:** सभापति महोदय, मैं मराठी में बोलना चाहता हूँ।

**श्री सभापति:** चूँकि आपने पहले नोटिस नहीं दिया है, इसलिए उसका तर्जुमा यानी उसका भाषांतरण नहीं होगा। फिर भी आप मराठी में बोलना चाहते हैं, तो आप बोलिए। यह भारतीय भाषा है, इसलिए मैं स्वागत करता हूँ।

**श्री हुसैन दलवाई:** \* मुझे थोड़ा सा आश्चर्य हो रहा है कि ये बिल अगर दो दिन पहले हाथ में आया होता तो हम और अधिक जानकारियाँ एकत्रित करके बोल पाये होते। ये जो इंटरनेशनल फाइनेंशियल सर्विसेज़ सेंटर अर्थात् अंतर्राष्ट्रीय वित्तीय सेवा केंद्र बनाये जा रहे हैं, उस बात की हमें बहुत खुशी है। परंतु इन्हें बनाने का उद्देश्य यह था कि इस देश की अर्थव्यवस्था को भली प्रकार से गति प्रदान की जा सके, और उस दिशा में, अंतर्राष्ट्रीय विमानतल जहाँ हों, अधिक सुविधायें हों, ऐसे किसी स्थान पर इन्हें बनाने का विचार किया जा रहा था।

श्री मनमोहन सिंह जी जब देश के प्रधानमंत्री थे, तब यह निर्णय लिया गया था और मुंबई, महाराष्ट्र में इसका केंद्र बनाये जाने का निर्णय हुआ था। स्थान बदलकर जब इसे गुजरात ले गये तो इसकी क्या स्थिति हो गई है। हमारे वित्त मंत्री जी ने जिस उद्देश्य से ये कार्य किया था, उसमें कोई विशेष लाभ प्राप्त नहीं हुआ है और इस प्रकार से एक-एक करके महाराष्ट्र की इंडस्ट्री अर्थात् उद्योग को वहां से उठाकर गुजरात में लाने का जो विचार आप कर रहे हैं, उसके कारण एक प्रकार से आप अर्थव्यवस्था में गतिरोध उत्पन्न कर रहे हैं।

अर्थव्यवस्था और अधिक अच्छी तरह से चल सके, इसके लिये गुजरात और महाराष्ट्र में ये फेरबदल करने की क्या आवश्यकता थी, यह मेरी समझ में नहीं आता। एक तरह से आपने महाराष्ट्र के साथ अन्याय किया है। ये अन्याय बहुत गलत है। जहां सुविधायें हैं, जिन स्थानों पर पहले से ही ये कार्य करने के निर्णय लिए जा चुके थे, वहाँ पर यह कार्य नहीं किया गया, और एकदम से सारा काम गुजरात ले जाया गया, यह बिल्कुल गलत है। ऐसा करने से किसी प्रकार का लाभ नहीं मिला है, हमारी अर्थव्यवस्था जहाँ थी वहीं है। अंतर्राष्ट्रीय निवेश के केंद्र अधिक संख्या में बनाने का जो उद्देश्य था कि विदेशी निवेश बढ़ेगा, वो भी नहीं हुआ है। आपसे गलती हुई है इसे आप स्वीकार करें और आवश्यक सुधार करना संभव है, तो कृपया करें, इतना ही मैं वित्त मंत्री जी से आग्रह करता हूँ।

जय हिंद, जय भारत।

**श्री सभापति:** जय हिन्द, जय भारत, जय महाराष्ट्र नहीं है?

**श्री हुसैन दलवाई:** जय महाराष्ट्र।

**SHRI JAIRAM RAMESH:** Sir, he said that originally GIFT City was meant for Maharashtra, but it has gone to Gujarat. ...*(Interruptions)*...

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\*Hindi translation of the original speech made in Marathi.

MR. CHAIRMAN: He is worried about the flight of economic capital from Maharashtra to Gujarat. That is the point he is making. Now, the hon. Minister. ...(*Interruptions*)...

THE MINISTER OF WOMEN AND CHILD DEVELOPMENT; AND THE MINISTER OF TEXTILES (SHRIMATI SMRITI ZUBIN IRANI): I have done the interpretation for the hon. Minister. ...(*Interruptions*)...

SHRIMATI NIRMALA SITHARAMAN: Mr. Chairman, Sir, first of all, let me thank you very much, although it is end of a long day, you still accommodated this Bill, understanding its importance. Because it is a financial Bill, ideally it is something, which I had liked the Members here to contribute. I heard the hon. Members who have participated in the discussion. I thank each one of the Members who also, after a long day, have been kind enough to be here to discuss this very important Bill. So, I would like to express my thankfulness to all the Members who understand its importance.

But, first of all, I would start with saying that many of the Members are aware that this is not something that has happened in the last few years only. It was in 2008 when the Percy Mistry Committee spoke about the need to set up an institution of this kind in this country because, at that time, his estimate was that in the year 2015, he was talking in 2008, but expressed that by 2015 it will be around fifty billion dollars that India will send abroad in terms of service charges and other things. And, his estimate was that this amount will reach 120 billion dollars by 2025. And, therefore, there was a clear need felt by this eminent Committee that there should be a Financial Services Centre and also a hub which should be giving India and the Indian companies that kind of international quality financial service that is comparable with Singapore or London and so on. So, just only to underline the whole sequence, I would very quickly want to run through the dates or the years when this happened. In 2008, the Percy Mistry Committee felt it. In 2011, then Ministry of Commerce notified the International Financial Services Centre as a multi-service SEZ in GIFT city, in Gujarat. So, the actual clearance was obtained in 2011 for this Centre to be developed as an International Financial Services Centre. Since it was announced in 2011, partly addressing this concern some of the Members have raised, saying this many numbers of years have passed why it is not really



picking up, and so on. Although it was notified in 2011 by the Ministry of Commerce, yet it was only in 2015 that the regulatory bodies — such as, the RBI, the SEBI, the IRDA, and so on — issued the performance regulatory guidelines. So, effectively, between 2011 and 2015, although notification happened from the Ministry of Commerce, nothing concrete could be done because regulatory authorities took their time and it was in 2015. So, effectively, it is only from 2015 you are talking about a functioning centre. Then, 2016, some competitive tax regime was brought in, exemptions were offered in 2017. In 2017, again, a tie up happened with the Singapore International Arbitration for Dispute Resolution. And, an hon. Member did ask as to what happened to dispute resolution. There is also a tie up with the Singapore Arbitration Centre because, in India the business houses, for want of such a facility being available in India and also matured international-class arbitration being absent, till then had to depend, and even now to an extent depend; but, India is also building arbitration capacities within the country. So, for the sake of arbitration, which the nearest place being Singapore, the GIFT city, the IFSC, had a tie up arranged in 2017 with the Singapore Arbitration Centre. Then, from 2017, international exchanges have also started functioning I will just give you the figures of how many exchanges are functioning, how many international-class banks are there. So, when all this was going on, it was in 2018 that an announcement for setting up a unified regulator was made. It was in 2018 that it was made and in 2019 we are coming up with actually a Bill for setting up this regulatory authority. So, there are additional tax reforms, which I remember announcing even in the July Budget. So, if we were looking at what exactly exists in the IFSC as it stands today, there are two stock exchanges operating from there. One set up by the BSE, which is the Bombay Stock Exchange, India INX functions from there. Also, the National Stock Exchange of the IFSC has been set up. Members, who expressed concern about what is actually happening, is something there or is it just a name, just listen to the numbers of what is happening there. Daily volume in the Stock Exchanges has crossed 4 billion US dollars. So, a functional International Financial Service Centre is operating there. About 22 hours each day, the Stock Exchange functions. Then, there are 13 international banks, international banking units, and banking transactions are 24 billion US dollars. ECB lendings happen from there. Loan syndications and trade finance also happen from there. As of now, there are 40 operational brokers and 100 plus licensed brokers who are actively engaged in institutional brokerage

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services and in proprietary trade. There are about 19 plus players in the insurance sector, re-insurance business is conducted, insurance intermediaries operate from there, and the sum insured from here is in the range of 30 billion US dollars. Finally, newly IT and IT-enabled services for the financial and legal consultancy firms are also running from there. There are IT companies which have been established and they are 30 plus in total. So, if people do have a thought about what exactly is happening, this is exactly what is happening there. These many institutions are functioning, these many varieties of financial services are being provided there, and, therefore, it is only right that in order to facilitate those who are operating there, that they don't go from pillar to post looking after several regulators which actually have something to regulate there, we are creating a unified authority wherein all these four regulators will be able to operate through that one authority. That is why, in the law itself, when the Bill is presented before us along with an authority Bill, we are also invoking in the First Schedule, for the Reserve Bank of India, about seven Acts, through which the Reserve Bank of India does its regulatory functions, are also going to have an implication as a collateral to this particular authority which is being brought in. So, those little amendments will also have to happen in seven different Acts. Similarly, because the SEBI controls the stock and securities market, three of those Acts, which it will invoke every now and then, are also being simultaneously amended. Again, because insurance functions happen there, insurance companies exist there, global insurance companies also come there. Under the Insurance Regulatory Development Authority's role, there are at least three different Acts, such as the Insurance Act, the General Insurance Business (Nationalisation) Act and the Insurance Regulatory Development Act, in all the three, some Sections will also have to be simultaneously amended.

Lastly, I come to the Pension Regulatory Development Authority. Even there, about one particular Act which they periodically invoke is also being impacted by this Bill, which we are bringing in now. One quick run down on how are we here now in the Rajya Sabha. We had come here earlier. Because, on 6<sup>th</sup> February, 2019, the Cabinet then had cleared for a unified authority. Announcement was made in 2018 for forming a unified authority, but that authority's Cabinet clearance got obtained on 6<sup>th</sup> February, 2019. Post that, on 12<sup>th</sup> February, 2019, it was introduced

in this very House. And that's how we had earlier come to this House. However, on the 20<sup>th</sup> June of this year, Sir, the Lok Sabha Secretariat conveyed that this Bill is a Finance Bill, and, therefore, under Article 117 Section (1) of the Constitution, it should actually be first presented in the Lok Sabha. So, we took it to the Lok Sabha and also ensured, much before we took it to the Lok Sabha, that it was withdrawn from this House, and you were grateful enough on 20<sup>th</sup> November, 2019 when the Cabinet approved it, and, on 25<sup>th</sup> November, you have been kind enough to allow the withdrawal of the Bill from here, and, after which, on the same day, we introduced it in the Lok Sabha, and the Lok Sabha yesterday has cleared the Bill and today, therefore, we have taken this up in the Rajya Sabha.

Sir, as I am making the comments on the Authority, I would also simultaneously like to answer some of the questions which have been raised. There was the question about part-time Members, how can they do justice? Unfortunately, I want to highlight the fact that only two of them who are being drawn from domain expertise area outside are going to be either part-time or full-time. The rest of them are members already functioning in RBI, officials from RBI. So, when they work in the Authority, it appears to be part-time but what actually they do is the functioning which RBI does in regulation. For this limited purpose, it is the Authority through which they exert their authority, and, therefore, what they do in the Authority may be part-time but they are the people who in anyway be doing it in the RBI or the IRDA, SEBI and so on. So, they are not all part-time. There is one Chairman who is full time, and, therefore, RBI, SEBI, IRDA and PFRDA, each having a member appears to be part-time but they are members anyway of RBI, and, therefore, doing this job also. Then the Government of India appoints two who are nominated members and the two others are taken from open public expertise-based domain and those can either be part-time or full-time. That will be determined.

So, what this Bill other than what I have said does — without taking much of your time, Sir, — is that this Bill defines very clearly what financial products are being considered here, what the services which are being included in the IFSC, what are the institutions which can come into this and also financial IT-related, IT-enabled services. I am glad to say that the IT, IT-enabled services, which are already there as a newer portfolio entering into the IFSC, have given jobs for 10,000 people only for dealing with the backroom, backend processing of data related to financial

[Shrimati Nirmala Sitharaman]

services. So, it is not a call centre. But it is beyond that. It is also making up for a lot of software requirements of these financial companies. So, that is one thing which I wanted to highlight.

Now, as specifically to the institution, people said, 'Only this much area, not really as much as was claimed', I just want to be clear on what is the kind of area we are talking about. Sir, the total area of GIFT City is 886 acres, and it is divided into two zones, one is domestic zone, which is spread over 625 acres, and the other is the SEZ, which is the financial SEZ for which in 2011 the Commerce Ministry had given the permission, the IFSC zone which is spread over 261 acres. Now, this particular multiservice SEZ, with international financial service approval obtained, has all the financial services units and the IFSCs, the umbrella, which is getting regulated by this Authority. Now when we say, 'getting regulated by this Authority', naturally, the question would be, are they going to be separate world unto themselves? Sir, every law of this land, every law which prevails in India, is applicable to them. The PMLA, ED, CBI, all will function even in matters related to that. The CAG would audit the Authority, and, therefore, that is why I prior read out the 14 Acts which, under the four Regulators, are being touched upon. So, largely, these are the kind of specific things that I wanted to highlight. Sir, these are the main issues which are being addressed. There was this question about rupee convertibility and if all transactions would sometimes get affected by the convertibility of the rupee. All transactions are going to be only in foreign currency in the IFSC, and so, no question arises about convertibility. At this stage, we are not talking about it at all. But before I go to the second question which I wanted to answer, Sir, the title of this Bill which we are bringing is the International Financial Services Centres Authority Bill. It's a plural of the 'centre'. It is not an exclusive gift for the GIFT City. This Financial Services Centres Authority would govern any number of centres or hubs as and when these come up. And, why GIFT city, Sir? It was because it had the advantage of the first mover. The Prime Minister, at that time, being the Chief Minister, had the futuristic thought that India needed this kind of an institution and a centre. Also, it was an implication of what Percy Mistry's report said, about that much amount of money going out of India for services that Indian businesses want and that that money had to be spent within India rather than being sent

anywhere else. Therefore, it was his foresight as the first mover and the Commerce Ministry then, in 2011, gave it to them. He didn't stop it, I suppose, for others. It still gives the option, like in SEZ, for any State which can invest in that much of land, build the necessary buildings and has the wherewithal, to apply and ask for one. So, this is not a gift being given to somebody, but it is definitely indicative of the foresight with which the then Gujarat Chief Minister and today's Prime Minister created the wherewithal and made sure that that kind of a facility is available for the whole of India. We should actually feel extremely proud that we had that kind of a foresight from Gujarat even then and I think we should, even grudgingly, accept it. There is one other thing. There was also this question, 'Why not Mumbai?' Smritiji did the translation — she is not here now — of the concern of hon. Member, Shri Dalwai, about it. My predecessor, Shri Arun Jaitley, was asked this question earlier, probably in Lok Sabha, not so much in this House. He very clearly said that there can always be other centres, but now that we have one, let us fully utilize it, let that get saturated because after all, it is not just for Gujarat; it is for the entire country. So, that guides us in understanding as to why Gujarat GIFT City is the point of discussion and not others. The others are welcome whenever they come up.

Sir, I would speak about the Performance Review Committee in one line and with that I would be done. To have a two member-Performance Review Committee may appear like an in-house audit and an in-house oversight committee, but the fact is, it reports to the Board and not to itself. The Authority's Board is actually something which is also going to be looked into by the CAG whenever they look into the Authority's accounts. And it follows the best practices which exist all over the world. That two member-internal committee is the one that constantly reviews the performance. So, we are not doing something that is very different. I have already spoken about the existing practices on the dispute resolution, Sir. Indian courts do have the jurisdiction. They will have the complete jurisdiction in all concerned matters.

Sir, thank you very much for giving me this opportunity. I hope I have answered all the Members' questions and concerns. I hope the House supports the Bill.

MR. CHAIRMAN: The question is:

"That the Bill to provide for the establishment of an Authority to develop and regulate the financial services market in the International Financial S e r v i c e s Centres in India and for matters connected therewith or incidental thereto, as passed by Lok Sabha, be taken into consideration."

*The motion was adopted.*

MR. CHAIRMAN: We shall now take up Clause-by-Clause consideration of the Bill.

*Clauses 2 to 34, the First Schedule and the Second Schedule were added to the Bill.*

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

SHRIMATI NIRMALA SITHARAMAN: Sir, I move: That the Bill be passed.

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

MR. CHAIRMAN: Now, we are taking up the Appropriation (No. 3) Bill, 2019.

**The Appropriation (No. 3) Bill, 2019**

THE MINISTER OF FINANCE; AND THE MINISTER OF CORPORATE AFFAIRS (SHRIMATI NIRMALA SITHARAMAN): Sir, I move:

"That the Bill to authorise payment and appropriation of certain further sums from and out of the Consolidated Fund of India for the services of the financial year 2019-20, as passed by Lok Sabha, be taken into consideration."

*The question was proposed.*

SHRI JAIRAM RAMESH (Karnataka): Sir, I am sorry to inflict another speech on you.

MR. CHAIRMAN: I welcome any speech made in the House in a dignified, decent and democratic manner. I will be a happier person and can sit as long as you want. I have no problem at all. Discipline, decorum and decency are my weaknesses and people say, these are my strengths. If somebody has a different opinion, I leave it to him. Shri Jairam Ramesh always makes good points.