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Title: Further discussion on the motion for consideration of the Securities Laws (Amendment) Bill, 2014 (Discussion Concluded and Bill Passed).

HON. CHAIRPERSON : The House shall now take up Item No. 11.

Dr. Kirit Somaiya.

डॉ. किरित सोमैया (मुम्बई उत्तर पूर्व) : सम्माननीय सभापति महोदय, हम सिक्वोरिटी लॉज अमेंडमेंट बिल-2014 डिसकस कर रहे हैं। अगर हम इस बिल के स्टेटमेंट ऑफ ऑब्जेक्ट्स एंड रीजन्स पढ़ें, सेबी एक्ट के ऑब्जेक्टिव पढ़ेंगे तो उसमें लिखा है -

"The SEBI Act was enacted for the establishment of the Security Exchange Board with the object of protecting the interest of investors."

सभापति महोदय, मैं आपके द्वारा माननीय मंत्री जी का ध्यान आकर्षित करना चाहता हूँ कि बीते साल, दो साल, पांच साल, सात साल, जो एक के बाद एक पोंजी स्कीम्स, जो सो-कॉल्ड बोगस वित्त फंड स्कीम्स आई, एक्सपोज हुई तो प्रोटेक्शन किनका हुआ? क्या स्मॉल इन्वेस्टर्स का प्रोटेक्शन हुआ? क्या इन्वेस्टर्स को पैसे वापस मिले? जो फ्लूइडल वीटर प्रमोटर्स थे, उनमें से कितने लोगों को सजा हुई? मैं आपके माध्यम से मंत्री जी का ध्यान आकर्षित करना चाहता हूँ कि माननीय मंत्री जी ने जो अमेंडमेंट रखा है, उसमें सैक्शन -11 है और सैक्शन -11 में इन्वेस्टर प्रोटेक्शन एजुकेशन फंड का जिक्र हुआ है। माननीय मंत्री महोदय जब कम्पनी अफेयर्स मंत्री थे, उन्होंने कम्पनी डिपार्टमेंट में कम्पनीज़ लॉज़ का अमेंडमेंट करके अनवलेमड डिविडेंड को इन्वेस्टर एजुकेशन फंड के लिए प्रोविजन किया। मैं मंत्री महोदय से जानना चाहूँगा कि दस साल में कितना अनवलेमड डिविडेंड भारत सरकार के फंड में ट्रांसफर हुआ। क्या उसमें से एक प्रतिशत भी इन्वेस्टर एजुकेशन, इन्वेस्टर्स अवैरनैस के लिए खर्च हुआ? आपने बहुत अच्छे उद्देश्य से एक बड़ा कदम उठाया था which certainly I appreciate. लेकिन जब तक हम इन्वेस्टर को एजुकेट नहीं करेंगे, वह 12, 15, 25, 40 प्रतिशत रिटर्न वाली स्कीम में पैसा डालेगा, ब्याज जाएगा और मूलधन भी जाएगा। मेरी प्रार्थना है कि जब आप सेबी को अनवलेमड डिविडेंड का अधिकार देने जा रहे हैं तो प्लीज़ इसी के साथ एक एक्शन प्लान डालिए, इनबिल्ट एकाउंटेबिलिटी डालिए। सेबी को भी सात साल पहले जिम्मेदारी और फंड दिया गया। For your information, I am heading an Investors' Education Organisation. सेबी से पूछिए बीते पांच सालों में कितनी बार इन्वेस्टर्स एजुकेशन एसोसिएशन फंड की मीटिंग बुलाई, क्या-क्या किया। मैं आपके अमेंडमेंट का समर्थन करता हूँ, लेकिन साथ ही उसमें एकाउंटेबिलिटी वर्तोज़ डालिए।

I would like to draw your attention to Section 11 (aa) - माननीय मंत्री महोदय फाइनेंस से लेकर लॉ में भी एक्सपर्ट हैं। सौ करोड़ से ऊपर की कम्पनियाँ, पॉन्जी स्कीम, SEBI will monitor.

मैं आपको एक-दो उदाहरण देना चाहता हूँ। पॉन्जी कम्पनी, बोगस वित्त फंड कम्पनी वाते और उनके कन्सलटेंट हमसे ज्यादा लोशियार हैं। हम सौ करोड़ की लिमिट डालेंगे, वे उसमें दूसरी लेयर ऑफ कम्पनीज़ किए करके इसमें से बॉय पास निकालेंगे। I had a discussion with several officials in the last two months. जैसे एमपीआईडी यानी हरेक स्टेट में प्रोटेक्शन ऑफ डिपॉजिटर्स एक्ट है। Every State, almost all States have executed. यहां कॉन्फिलक्ट ऑफ इंटरस्ट होगा और ग्रे एरिया किए होगा कि कौन सा स्टेट इन्वेस्टर डिपॉजिटरीज़ एक्ट के अंतर्गत कार्यवाही करेगा, कहां सेबी जाएगी, कहां एनबीएफसी जाएगा, कहां कम्पनी अफेयर्स मिनिस्ट्री जाएगी। मैं माननीय मंत्री महोदय से रिवरैस्ट करना चाहूँगा कि इसके बारे में कोऑर्डिनेटेड एफर्ट्स करने पड़ेंगे, थोड़ी वर्लैरिटी लानी पड़ेगी।

सैक्शन 11(बी) - इसमें हमने ज्युडीशियरी को एडिशनल पावर दी है। आप सेबी को एडिशनल पावर दीजिए। जब ज्युडीशियरी की पावर की बात करते हैं तो सभापति महोदय, एक दुर्घट की बात है। हाई कोर्ट ने पॉन्जी स्कीम पर एक आर्डर दिया। काफी डिटेल आर्डर है। High Court had asked CBI to investigate. ... (व्यवधान) मुम्बई हाई कोर्ट ने स्पीक एरिया में दिया और मध्य प्रदेश हाई कोर्ट ने पॉन्जी स्कीम में दिया। हाई कोर्ट ने एक साल पिटीशन की हियरिंग कंटीन्यू रखी। Madhya Pradesh High Court asked CBI to investigate. मैं सदन से कहना चाहूँगा कि सीबीआई के जिस अधिकारी ने इस पर स्टडी करके, इन्वेस्टीगेशन करके रिपोर्ट दी है, हमें उस अधिकारी को कॉम्प्लीमेंट करना चाहिए। उसने जो हिम्मत की, हजारों-हजारों करोड़ की पॉन्जी बोगस कम्पनियाँ हैं, 33 कम्पनियाँ। CBI officials went into the details. इसमें सीबीआई को 5 जुलाई, 2011 को प्रिलिमनरी इन्क्वायरी रजिस्टर की। It was on the instruction of the Madhya Pradesh High Court and the final order came on 13th July, 2012. एक साल में कम्प्लीट किया। सीबीआई की फाइंडिंग, मैं आपको 4-5 उदाहरण देना चाहूँगा। One Ponzi company's livestock availability was examined and it was seen that against a total customer of 6,48,406 all over India, the company has a livestock of only 16,876 buffaloes.

आप समझ लीजिए कि हम सब एक छोकर ऊपर उठें। 6 लाख 48 हजार कस्टमर्स से पैसे इकट्ठे किये गये और सिर्फ 16 हजार भैंसे हैं। हममें से कोई भी जानेगा, जितेन्द्र रेड्डी जी जायेंगे, तो कहेंगे कि वह काली भैंस दिख रही है, वह आपकी है। ... (व्यवधान)

सभापति महोदय, मैं आपको एक दूसरा एग्जाम्पल देना चाहता हूँ। The name of another company is KBCL. It is said there that the total unit is 15,51,381 square yards which is allotted to 3,97,532 customers. 3, 97,532 कस्टमर्स को प्लॉट बेचा। वह एग्रीकल्चर लैंड है। कितने एलॉटमेंट लैंड्स इश्यू किये? It is only 14,706 allotment orders. बाकी का पैसा कहां गया? In most of these ponzi companies, बाकी का पैसा मॉल, रियल इस्टेट, होटल्स, अभी एक महासागर की, पुणे की एक पांज़ी कम्पनी ने हेलिकॉप्टर खरीदा है। हम पोलिटिशियन्स को बोलते हैं कि तुम्हें प्रवास करना है, दौरा करना है, पोलिटिकल कम्पेन करना है, तो हेलिकॉप्टर में बैठकर घूमो। मैं आपको एक और एग्जाम्पल देना चाहूँगा। एक कम्पनी दो नाम से चलती है। एक कम्पनी में 6,71,121 कस्टमर्स हैं and allotment is made to only 102. These are the findings of CBI and the official High Court orders. यह किरीट सोमैया का भाषण नहीं है। What has the system done for the last one-and-a-half years? They are sitting on all these papers. मैं उसके ऊपर भी आऊँगा। दूसरी कम्पनी में there are 13,49,615 customers, and allotment is only 157. एक दिन में 2,52,72,990 रतनजोत प्लांट्स बेचे। They have collected money for it. एक प्लांट का 5 हजार रूपया, 2,52,72,990 और उसके सामने 2,72,720 प्लांट्स ऐवैलेबल है। It is only 1.14 per cent of it. The High Court categorically stated that thus the inquiry is conducted on 33 companies. 33 कम्पनीज में से 13 कम्पनीज पूरे देश में, सात राज्यों में मल्टी स्टेट कम्पनीज के रूप में पांज़ी कम्पनी चलती हैं। The amount involved is more than Rs. 1 lakh crore. One year back, namely, in July, 2013, the High Court issued an order to the Ministry of Company Affairs, to SEBI, the Ministry of Finance, RBI and various State Governments. The High Court has told that 40 per cent commission has been paid. यह कैसे चलेगा? These are all ponzi companies and that is why, the High Court ordered ultimately that all the respective regulators, the various Government Departments should immediately initiate action. मैंने पिछले महीने रेगुलेटर के साथ इन्क्वायरी की। अप्रैल-मई महीने तक कोई एक्शन नहीं हुआ है। सीबीआई के अधिकारी को सम्पर्क करने का प्रयत्न किया, तो मेरी वह मेहनत भी पानी में चली गयी।

Why and how has this happened? किसके पैसे जा रहे हैं?

सभापति महोदय, सिर्फ यहां से नहीं अटक रहा। इससे आगे मुझे इस बात का अफसोस हो रहा है, मैं माननीय मंत्री महोदय जी से प्रार्थना करना चाहूँगा कि all these companies have now found out another way of loot. It is through multi-State cooperative credit society. मल्टी स्टेट कोऑपरेटिव क्रेडिट सोसायटीज अब स्टार्ट कर दी। हाई कोर्ट ने आर्डर दिये थे, उसके विरुद्ध सीबीआई ने कुछ कम्पनियों के खिलाफ एक्शन लिया। उसमें से एक कम्पनी के खिलाफ कम्प्लेंट 2 जून, 2010 को आयी थी। The SEBI took action on 17th July, 2013.

The High Court also gave the order. उसके बाद इस कंपनी ने मल्टी स्टेट क्रेडिट सोसायटी वालू कर दी, उसका आज मुझे ई-मेल आया है after yesterday's debate. डिटेल्ड ई-मेल आया है कि इस कंपनी ने हेलीकॉप्टर खरीदे हैं और उसमें आपको, मुझे, ब्यूरोक्रेट्स तथा एविजव्यूटिव्स को घुमाते हैं। मैं दूसरी कंपनी के बारे में बताता हूँ। ... (व्यवधान) I want at least today's discussion for the small investors. You know what had happened in West Bengal. You know better than me. वेस्ट बंगाल में किस प्रकार से पॉलिटिकल नेवसस सामने आया है। हम में से कुछ लोग... (व्यवधान) सभापति महोदय, मैं अभी माननीय मंत्री महोदय का ध्यान सेबी के ऊपर लाना चाहूँगा। हम कहीं पर एकाउंटैबिलिटी इस्टैबलिश करने या नहीं? सेबी, आरओसी, आरबीआई, ईडी आदि सभी के पास ये डिटेल्स हैं। I would like to request कि हम जब इतने ज्यूडिशियरी पावर्स देते हैं, सीज़ करने का पावर देते हैं, तो उसके साथ एकाउंटैबिलिटी भी इस्टैबलिश करें। We have to bring transparency. नहीं तो लोगों के पैसे लूटते रहेंगे। आज तक कितने लोगों को सज़ा हुई? कितने लोग जेल में गये? मैंने एक विषय के संबंध में कहा था कि नासिक की केबीसीएल कंपनी में चार लोगों की मृत्यु हो गयी और आज उस कंपनी का मालिक *अर्जुन सिंगपुर* में बैठा है। सिंगपुर में छः कंपनियाँ निकालीं, सात सौ वालीस करोड़ रुपये सिंगपुर ट्रांसफर कर दिये। For the last one month I am interacting with the State Government and the Government of India कि उसके खिलाफ एक्शन लिया जाए, सीबीआई उसकी इवेस्टीगेशन इनिशिएट करें। लेकिन अभी तक उस संबंध में कुछ नहीं हुआ। सभापति महोदय, मैं वित्त मंत्री महोदय को बताना चाहूँगा कि there is another type of scam, पैन-कार्ड टाइप का। ये पैन-कार्ड इश्यू करते हैं, जिसे कहते हैं, शेरिंग ऑफ टाइम रिसोर्ट। शेरिंग ऑफ टाइम रिसोर्ट का अभी एक ऑर्डर आया है, that is most interesting. The Pan Card Limited have sold 1,35,00,000 rooms. जैसे आप टाइम शेरिंग रिसोर्ट के मेम्बर बनते हैं, कि साल में 25 हजार रुपया भरे और आपको चार नाइट्स गोवा, दिल्ली आदि जहाँ भी घूमना है, घूमने के लिए मिलेगा including international tours. उस पैसे से उसने क्या किया? फॉरेन में एक दर्जन कंपनियाँ खोलीं। यहाँ पर होटल्स खोले, मॉल्स खोले। क्या आपको पता है कि बुकिंग कितने होटल्स का है? केवल 0.34 प्रतिशत बुकिंग है। यदि कंज्यूमर मांगता है, तो वे कहते हैं कि अवेलेबल नहीं है, ओवर-बुक हो गया है, आप लेट हो गये।

सभापति महोदय, नेशनल स्टॉक एक्सचेंज क्या है? There is National Stock Exchange Scam. It is purely ponzi. One year is over, 18 हजार इवेस्टर्स के पैसे फंस गये हैं, ये ईमानदार इवेस्टर्स के पैसे थे। Because the NSE was given sensitive authenticity from the Government. सभापति महोदय, आपको भी ध्यान होगा, इस विषय में अनेक बार मेरी आप से चर्चा हुई थी। इसे सरकार ने वर्ष 2007 में illogical accession दे दिया without building a regulatory system. कह दिया कि आप रेगुलेटर से मुक्त हो। सरकार ने प्रमोटर पर विश्वास किया। लेकिन मैं सरकार के लिए कुछ नहीं बोल रहा हूँ। लेकिन उस प्रमोटर *अर्जुन सिंगपुर* ने क्या किया? उसने पूरे देश, पूरे फाइनेंस सिस्टम को खरीद लिया, उसे करप्ट कर दिया। क्या हमारे देश में, हमारी फाइनेंस सिस्टम रेगुलेटर इस प्रकार डिफाल्ट होगी और हम बैठे देखते रहेंगे।

HON. CHAIRPERSON : Dr. Kirit Somaiya, please hear me.

...(Interruptions)

HON. CHAIRPERSON: Dr. Somaiya, please hear me. You have already taken half an hour. There are other Members from your Party to speak.

DR. KIRIT SOMAIYA : I will conclude within five minutes .

15.00 hrs

मल्टीस्टेट कोऑपरेटिव का एग्जाम्पल दे रहा था। जब भाईवंद हीरावंद मल्टीस्टेट कोऑपरेटिव की ऑडिट हुई, तो पता चला कि मदन, छगन, लखन, राम, इन लोगों के नाम से पैसे जमा हैं। मैं आपके ध्यान में लाना चाहता हूँ कि ऐसी पोजी कंपनीज में पैसा कहाँ से आता है? This is a very vital point being discussed and debated with experts. एक पैसा होता है छोटे निवेशकों का, दूसरा होता है मनीलॉन्डरिंग, तीसरा होता है टेरर मनी, चौथा होता है ड्रग मनी और पांचवा पैसा होता है, मैं पूरी जिम्मेदारी से आपको बता रहा हूँ, यह पैसा कहाँ से आता है, अभी तक पता नहीं चला है। पता नहीं चलता है। इस पैसे के लिए बोगस करेंसी नोट छपी जाती है या कहाँ से आता है या पैसा, क्योंकि जब कोई भी पोजी कंपनी एक्सपोज होती है, तो अगर वह रियल कंपनी है, उसके दस हजार इन्वेस्टर लाइन में लग जाते हैं। इन कुछ कंपनीज के प्रमोटरों के खिलाफ एक्शन होने के बाद, जेल में जाने के बाद भी एक भी इन्वेस्टर बाहर नहीं आता है, तो यह पैसा कहाँ से आया था? इसलिए मैं कहना चाहूँगा कि यह देश के लिए बहुत बड़ा चैलेंज है। मैं यही प्रार्थना करूँगा कि आज आपने इनिशिएटिव लिया है, एक लाख करोड़ रुपया इसमें फंसा हुआ है। हम सब मिलकर इस विषय पर स्टडी करें, हमारे देश में लोकतांत्र को इस प्रकार के बोगस पोजी लोग खरीद न सकें, इसलिए सब साथ में मिलकर ट्रांसपैरेंसी लाएं, छोटे निवेशकों की रक्षा करें।

SHRI KALYAN BANERJEE (SREERAMPUR): Mr. Chairman, Sir, I thank you for giving me this opportunity to speak on this Bill. The Bill has lastly come before the House. There is a touch of one of the famous legal luminaries of our country which was expected to be there.

Sir, today, I am very candid that I have a very little knowledge to give any advice to the hon. Finance Minister on the aspect of law. I am not doing that. Please take it that I am trying to assist you. Earlier, I had got the opportunity in the 1990s when I was working as a junior with you in a few matters. With all these things, I am trying to assist you. Please never think that I am trying to give you any suggestion or advice. I am a very little person to do that.

The Securities and Exchange Board of India Act, 1992, was enacted for the purpose of increasing the confidence of investors in terms of their investment in the securities market.

15.02 hrs (Shri Konakalla Narayana Rao in the Chair)

But the passage of time has proved that neither have the authorities under the SEBI Act acted in true spirit of the Act nor does the Act make appropriate provisions to pin out the real culprits. Inaction on the part of the authorities under the SEBI Act, the lackadaisical attitude of the authorities under the SEBI Act have reduced the entire spirit of the Act in our country. Sufficient provisions were not there. Because of the inaction and not making appropriate provisions, steps were not taken against the erring stock-brokers, sub-brokers, share transfer agents, other intermediaries and the Non-Banking Financial Institutions who are associated with the securities market and to refund the money to the poor investors.

Chit funds have grown in the country like mushroom. In our State, from 1984, a large number of chit funds have been started functioning but these chit funds have not been registered under the SEBI Act itself. The Act has come into force in 1992. Before that, another Act was there. For a long time, for three decades, the chit funds which have not been registered have been functioning according to their whims and nobody has touched them. Today, I am not at all blaming the hon. Finance Minister and the Ministry but I am just pointing out since you are here.

I can expect under your supervision that the provisions of the Act would be implemented throughout the country as expeditiously as possible. We are happy that based on the experience gained over the years the Government has brought this amendment Bill, 2014 providing for stringent provisions for adjudication, and special courts for dealing with the offences.

In our country, there is no dearth of laws. Sufficient laws are there but the problem is about its execution. Acts are not being executed properly in time by the authorities under the Act. The authorities under the SEBI are not executing the Act at all. Possibly they have not understood as to what are the aims and objectives of the Act itself and as to what responsibilities have been given to them. I will request that in future the Government, especially the hon. Finance Minister should make a provision for taking steps for refunding the money of the poor investor. I would like to just intimate you – you may be aware of the facts – that in our State, in Sanchayata's matter, Kolkata High Court has exercised its jurisdiction and appointed a Committee, which gave a report which resulted in returning the money to the poor investor. The orders have been upheld by the Supreme Court. But for the last 20 years, the matter is still continuing for the purpose of returning the money to the investors because the Act did not make such a provision earlier at all. Why no steps have been taken by the authorities under the Act for decades together against the non-financial institutions, dealing with the chit funds who have not registered under the Act at all?

I have a very humble view, which I am expressing to you. Why should the title be 'Chit Fund'? Why is the Department called 'Disinvestment'? The reading of the title would say that the country is encouraging 'chit funds'. On the contrary, I have a suggestion that in future the Government should try to amend the title. At least, the Chit Funds Regulatory Act should come. This type of title is not at all encouraging. The Board under the Act is an institution. I am not oblivious of the fact that the appointment of the Chairman of the Board was challenged and was upheld by the Supreme Court. That is a question of legality. The person who is holding such a high post should be a clean man; nobody should speak anything against him. Such a standard is needed for the Chairman of the SEBI. It does not augur well for the vibrant democracy to be politically motivated. Its functions should be transparent; it should have complete autonomy; it should not have any political agenda; it should act only for the public interest. It should not act as another Central Bureau of Investigation in our country. For decades, we have seen that the CBI is being used for political purposes only. It should not be used like that. I am informing you that CBI has taken up eight cases in our State but in all the eight cases, it has not completed the trial at all.

Handing over cases to the CBI has become a fashion these days. I would like to suggest to the hon. Minister of Finance to ask the income tax authorities to investigate as to who are the big investors in chit funds now and what is the source of the money for such investment.

Sir, my experience in tribunals is not good. Two weeks ago, I had to go to the Company Law Board at Kolkata. The matter was listed as the first one after the recess. The judge came at 3.45 p.m. Almost all the tribunals are functioning like this. Shri Arun Jaitley is the Finance Minister here. As I have already said, he is one of the top legal luminaries of our country and I have the deepest respect for him. So, I would request him to kindly take necessary steps to ensure that all the tribunals function properly. They should act independently, without having any political agenda and without any motive. The Chairman of SEBI and other members of the Board should be people of high integrity. Such type of people should be appointed whose behaviour, conduct and past records are above board.

In our State, we have enacted an Act similar to this amendment. But incidentally and unfortunately because of the communication gap with the last UPA Government, – UPA II was only for communication and not for implementing anything - the Act did not get the assent of the hon. President of India. I would request the present Government not to behave like the UPA II. I would request the Finance Minister to instil confidence among investors. The people of this country, the small investors should have confidence that there is a person under whose supervision all the erring persons would be booked and trials concluded soon.

In this Bill, the Minister has moved an amendment to Clause 22 to the effect that a High Court Judge having the experience of dealing with cases in the Sessions Court would be appointed as the Chairman of the Board. Similarly, the Minister has made another provision that an advocate with seven years experience would be appointed as the prosecutor. When the Minister is making a provision that a High Court Judge with experience of dealing with cases in the Sessions Court would be appointed as the Chairman, I would like to suggest to the Minister that he should add a provision that an advocate with seven years experience and also experience in criminal trials should only be appointed as the prosecutor. This is my suggestion for his consideration in future.

With these words, Mr. Chairman, Sir, I thank you for giving me extra time.

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SHRI P. NAGARAJAN (COIMBATORE): Hon. Chairman, Sir, at the outset, I would like to recite a famous Tamil song which goes like this:

*"Amma endru azhaikkadha uyirillaiye
Ammavai vanangamal uyarvillaiye."*

Sir, this is my maiden speech. So I would like to bow my head in reverence towards the direction in which our leader *Puratchi Thalaivi* Amma is there before starting my speech. I would like to thank you for giving me this opportunity to express my views on the Bill further to amend the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956 and the Depositories Act, 1996.

Sir, it is my maiden speech in the Parliament. Before I rise to speak on this, first of all, I would express my sincere gratitude to our beloved, dynamic and national leader, the hon. Chief Minister of Tamil Nadu, *Puratchi Thalaivi* Amma to select me and my constituency people of Coimbatore to have elected me as a Member of Parliament.

The Securities and Exchange Board of India, established in the year 1988, is the regulator for the securities market in India. It was given statutory powers in April 1992 through the SEBI Act. The basic function of the Securities and Exchange Board of India is to protect the interests of investors in

securities and to promote the development of, and to regulate the securities market. SEBI has to be responsive for the issuers of securities, the investors and the market intermediaries.

The performance of SEBI is the indicator of the health of the economy. That is an ideal situation. But, that is not happening always. There are unpredictable ups and downs and rise and fall seen often. It was witnessed in the past in our economy due to some mismanagement of the earlier Governments and their inability to control the economic activities.

The country has already faced many securities scams like the Harshad Mehta scam, the Ketan Parekh scam in which a few individuals got benefit and investors and Government incurred huge losses. We know that still there are a number of scams in the stock markets in different parts of the country calling for corrective actions to inspire confidence of the investing community, particularly the small and retail investors.

SEBI has also been instrumental in taking quick and effective steps in the light of the global meltdown. I would like to request the hon. Finance Minister to pay special attention to online trade on essential items, particularly food grains in the country. It is because, through online trade on food grains, the speculative traders are hoarding the food grains and creating shortage of supply and also creating artificial demand for the goods which lead to high prices and inflation. Further, the agriculture products sold through online trade are purchased by the middlemen and speculative traders from the farmers at a very low rate and are sold at a higher rate by the traders, but the farmers are not getting benefit out of this. Hence, I request the hon. Minister to ban the online trading of food grains.

Further, the people who purchase things – other than the food grains – online are getting cheated. They receive inferior or sub-standard products and also false promises from online traders. There are a number of instances to prove these cases. So, I request the hon. Minister to take stern action against those fraudulent online traders and also to ban such online sites.

The office of SEBI is situated at Mumbai with its regional offices at Kolkata, Delhi, Chennai and Ahmedabad. It has recently opened local offices at Jaipur and Bangalore and is planning to open offices at Guwahati, Bhubaneswar, Patna, Kochi and Chandigarh in the Financial Year 2013-14.

Coimbatore city is the second big city and an industrial hub of Tamil Nadu. It is considered the Manchester of South India. I would like to request the hon. Minister of Finance to open a local office of SEBI at Coimbatore to facilitate the traders and all business community people to transact their business activities without any difficulty.

Now the Government has brought the Securities Laws (Amendment) Bill, 2014 with various amendments like settlement of administrative and civil proceedings, offences triable by special courts, recovery of amounts, settlement of administrative and civil proceedings.

The Bill seeks to provide for effective protection of investors in cases where there is fraudulent diversion of money raised from investors and to monitor collective investment schemes and to ensure that such schemes as are flourishing at the expense of innocent investors are curbed. Many cases are pending regarding market aberrations practised by fraudulent traders.

The Bill seeks to constitute special courts for prosecution of offences under the prevailing security laws to provide speedy trial. The Bill empowers the Chairman of SEBI to authorise search and seizure of documents relevant to an investigation.

I hope the Bill will be passed with proposed amendments. It will bring necessary changes and achieve the objects for bringing this Bill in Parliament.

With these comments, before I conclude my speech, please consider Puruchi Talaivi Amma's words as divine as in the Epics and Vedas. As our hon. Puruchi Talaivi Amma has welcomed the Budget, we welcome the Bill.

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SHRI RABINDRA KUMAR JENA (BALASORE): Thank you so much, Sir, for giving me an opportunity to participate in this Bill. I also thank our leader and the Chief Whip who have allowed me to speak on this Bill.

I come from Balasore District of Odisha, which is one of the worst sufferers of this Ponzi scheme. About 30 NBFCs and chit funds are operating in our district. They have apparently mobilized more than Rs. 2000 crore from about five lakh investors of our district alone. My district has a population of about 23 lakh. That means, one out of every five individuals have been a victim of this kind of a scheme. Our hon. Chief Minister Shri Naveen Patnaik has cracked down all Ponzi schemes last year.

Having said this let me come to some of the national issues. In one of the reports and surveys conducted by E&Y, a couple of months back, it is reported that more than 34,000 NBFC companies are operating in India. They do not have permission either of RBI or are not registered with RBI at all. In another report PTI had reported that in last one year alone, in 2013, Rs. 40,000 crore have been lost by small investors in this kind of a Ponzi scheme. Yesterday, when the debate was initiated by one of our senior colleagues, it was said that under the Company Affairs Ministry, there are about 700 companies who have decamped with about Rs. 29,000 crore in the name of vanishing companies. Who are those vanishing companies? They are those companies who mobilize money from the public and coolly and silently disappear without any trace of them in the Registrar Office. So in the light of the above revelations and facts, this Bill is very essential and need of the hour. Sooner we pass it, better it is for the country.

Let me place before you a couple of very serious observations. First, the Standing Committee on Finance has very categorically and explicitly stated that let there be a complete ban on all those investment schemes which saw astronomical returns or more than reasonable returns. So the question is that why should not we stop it then and there? Why are we allowing such things to grow and take policing actions like search and seizure tomorrow? The second and the most crucial observation is – I will urge upon the hon. Minister to take a serious note on this view – about the cap of

Rs. 100 crore by SEBI. Why is there Rs. 100 crore cap? What is the rationale behind it? These Ponzi scheme fellows are more than extra-smart. They will have ten schemes of Rs. 25 crore each. By this way they will get out of the ambit of SEBI. I will not be surprised if we come to this House five or ten years later with another amendment. But by that time, lakhs of investors would have suffered and suicide happened. I have seen with my own eyes that people in my constituency have drawn money from their Provident Fund, selling their assets, jewellery and everything with the expectation of multiplying their money quickly. They have become a victim today.

In Odisha, in the last one year, the Government has cracked down 163 companies and filed cases against 570 persons. About 640 people have already been arrested. Out of these 163 companies, most of them are below Rs. 100 crore limit. They are designed in a manner so that they will go on mobilizing Rs. 10 crore, Rs. 20 crore and Rs. 30 crore and get out of the ambit of SEBI.

This is a very serious matter. I would once again request the Government to remove this Rs. 100 crore cap. Are we giving too much power to SEBI in the light of the very definition of collective investment scheme? Is it essential that the legislative power is delegated to SEBI?

SEBI is basically a market regulator. Are we giving too much of policing power to do policing, to do search, to do seizure and to do arrest? In that process, is there a probability that SEBI will lose sight of its own job of regulating the market and doing too much of policing job?

I would urge upon the hon. Minister, through you, Sir, to take serious cognizance of all these concerns and more particularly about the cap of Rs.100 crore, and without which the very purpose of the Bill may get defeated in the first place.

SHRI ARVIND SAWANT (MUMBAI SOUTH): Hon. Chairman, Sir, I would like to thank you for granting me permission to place my support to the long awaited Securities Laws (Amendment) Bill, 2014.

In the State of Maharashtra we faced a number of frauds because of various chit funds, mutual funds and other funds. Anybody comes in the market, launches a company, and the common man starts investing in that company. I can give you one example. Five years or ten years back, one person by name Sheregar had started a company and fooled people by asking them to invest their money saying that their investment would become double. A number of people, right from officers to common people, invested their money. Now-a-days, a common man is aware of the market. People do not know whether the company is legal or illegal; whether the company is registered under the Companies Act or not. Which are these companies? These companies are establishing their offices. Ten days back, we heard about serious chit fund frauds in Nasik. Thousands of crores of rupees were fraudulently swallowed by the company. The farmers, lower middle-class people and service-class earners invested their money expecting good return for their investment. SEBI, being a regulatory body, is not able to do anything over there. This Bill is going to provide SEBI the necessary teeth, which they have desired for a long time.

As regards the amendment in Section 1, I really feel happy about it. Earlier they were prevented to get information. Now, this Bill will provide them to get information from anybody and to see whatever has been done by the company is correct or wrong; whether they have done any fraud; and whether they have deceived people. The amendment in this particular Section, which is giving protection to the investors, is a welcome move.

The second one is about insertion of a new sub-section. It says: "to insert a new sub-section 5 in Section 11 of SEBI Act to provide that the amount disgorged, pursuant to a direction issued under Section 11B of this Act or Section 12A of the Securities Contracts (Regulation) Act, 1956 or Section 19 of the Depositories Act, 1996, as the case may be, shall be credited to the Investor Protection and Education Fund established by the Board." Sir, what a welcome idea! Maybe the earlier Government has done it. People were deceived. Many persons had lost their money. These poor people thought that they would hardly get 8 per cent or 9 per cent by keeping their money in the bank and by investing in these companies their money would be doubled quickly. These companies start luring people to invest their money with them. Initially they refunded their money with interest, and their credibility, in the initial stage, increased in the market. SEBI should take cognizance of such companies.

I would request the hon. Minister that somebody should be kept to see as to what are the advertisements that are coming in the newspapers particularly about investments. Everyday, a number of advertisements are coming throughout the country, where they ask people to deposit their money by saying that the return will be very high. Nobody is there to see whether that company, which is offering stocks or shares or whatever it may be, is a registered company or not. We have found that some of the companies have done hell of a fraud, but they were not even registered. Who is going to look after this matter? The police is also ignorant of it or be hand-in-glove with them and keep silent on such issues.

Now, these things, which have been provided in different sections, are welcome ideas. But the only thing is this. Is it contradictory somewhere to the Companies Act? That has to be seen. The Companies Act says something whereas the SEBI Act says something else. They should not be contradictory to each other. That has to be taken care of. I hope utmost care would be taken. I know, the hon. Finance Minister is competent enough and he is known for it. Whatever he does, he does it for the society.

My Government is brining this Bill and I heartily welcome this Bill. The disgorgement order, particularly, is a wonderful thing, which he is going to do.

Even the SEBI Chairman has welcomed this Bill. He has said that 'SEBI would not have to go to a civil court and take permission for recovery. SEBI has to go to the civil court, take the permission, and then go for recovery. Now, you are going to have your own courts. SEBI will go to their own court, take the permission for seeking recovery. The permission is going to be there but here, as the independent court will be there, the matter would be resolved quickly.

Sir, once again, I welcome this Bill and support it wholeheartedly.

*SHRI M. MURLI MOHAN (RAJAH MUNDURY): Sir, I will speak in Telugu.

There was a popular story in my village. There were some monkeys in a village, which used to destroy crops. One businessman visited that village and offered to buy those monkeys at Rs.1000 each. Villagers thought, he must be insane. Some villagers caught 10 monkeys and handed over to that businessman. As promised, that businessman paid Rs.1000 per monkey. After a week, that businessman offered Rs 2000 per monkey. This time even those villagers who did not believe that businessman earlier, believed him and caught 500 monkeys. That businessman bought those monkeys at the rate of Rs.2000 each. After a week, that businessman offered Rs.3000 per monkey and accordingly paid for the monkeys. After a month, he comes again and asks for monkeys. Villagers say that they don't have any monkeys. Businessman offers them Rs. 10,000 per monkey. Villagers believed that businessman and went in search of monkeys in surrounding villages. The monkeys in surrounding villages were offered for Rs.8000 each. Villagers thought that they can still make a profit of Rs.2000 per monkey, and bought those monkeys with whatever money they had. When they returned to their village to sell those monkeys to that businessman, he was found missing and apparently he fled that village. That businessman sold back those monkeys at higher cost, which he actually bought from the villagers at cheaper rates. This is the situation that we can relate to our share market scenario.

Some big businessmen are creating artificial value to insignificant shares and imaginary transactions are being made to create that artificial value. By doing so they are attracting innocent investors from poor and middle class to buy those shares at higher prices. This is how investors are cheated in share market. To check such malpractices we have SEBI Act in place. The objective of this act is to protect investors. But there are loopholes in this act which are being manipulated.

Similarly, there is a Micro-Finance Scheme which is meant to serve poor people of rural areas. Our Chief Minister Shri Nara Chandra Babu Naidu during his tenure between 1995 and 2004 has introduced DWACRA scheme for empowerment of women in rural areas. Under this scheme, women were encouraged to start business by providing loans. This is how women were benefitted by this scheme. But unfortunately, from 2004 to 2013 TDP was out of power and there was Congress Government. During that period some fake groups enrolled under DWARCA scheme and deprived real beneficiaries from the benefits of the scheme. As a result that scheme became ineffective.

Similarly, there is a practice of Multi-Level Marketing where a businessman asks people to become members by investing Rs.10,000 which would be refunded on enrolling 10 more members. They further mislead innocent investors by promising Rs.10 lakh in one year. Similarly, there are daily chits, weekly chits and monthly chits, where small time businessmen are cheated in many ways.

All such economic offences should be brought under SEBI Act and it should be made foolproof to protect interest of investors. Especially, poor and middle class people should be protected. I thank Hon. Finance Minister for this initiative and I request him to protect interests of poor and innocent investors by making this Act more effective..

SHRI KONDA VISHWESHWAR REDDY (CHEVELLA): Respected Chairman, thank you for the opportunity.

The amendment to the 1992 Securities and Exchange Board of India Act is long overdue. I think all the Members in this House agree and they have expressed this view in the discussion. Also, considering there are so many Ponzi schemes, a lot of the amendments here were actually lauded by most of the Members. I think the Finance Minister rightly mentioned the nature of the violations and the nature of the aberrations which have changed since 1992 and so this amendment is essential.

I will quickly go through three or four points in the Amendment Bill. One is to regulate collective investment scheme which is very important. It catches the Ponzi scheme. My concern is about the definition. I think other Members also expressed the same concern. Now the limit is Rs.100 crore. In our Bombay Stock Exchange, we have hundreds and hundreds of companies which are just above Rs.30 crore or Rs.40 crore market caps. So, why should the limit of this be Rs.100 crore? It is because many Ponzi schemes are just Rs.10 crore, Rs.20 crore and Rs.30 crore. So, let us catch those fish also in this net.

Also, I think the definition was wide, and rightly, the Finance Minister narrowed the definition so that it excludes co-operative farming, co-operative banks and things like that but I think it still has a potential of including group housing and group purchasing. Maybe, I think the definition needs to be tinkered down a little bit more.

Secondly, about the disgorgement of unfair gains, it is a fantastic job. We all appreciate it. But I think the fund disgorged goes to the Investor Protection and Education Fund. But what about the affected third party? Sometimes the fund may not reach the affected third party. I think that needs to be looked into. (Interruptions) I have one more point. About giving powers to SEBI, on one side you want to give teeth to SEBI so that it can actually go after the Ponzi schemes but on the other side, you do not want to step into the domain of the judiciary so that there is a clash between SEBI and the judiciary. I think the hon. Finance Minister, being an eminent lawyer himself and a legal luminary, handled this excellently and I think we should congratulate the Finance Minister on these issues, and we do support this Amendment Bill.

But our main concern is not about the protection these amendments are giving. I am concerned about the protection these amendments are not yet giving. I am talking about a particular practice, procedure and technology which is harming the small Indian investors, the individual investors and the small traders. It adds no value to the market or to the economy or to the society in general. I am talking about algorithmic trading which is very, very important. So, just let me explain a little bit as to what harm it is doing to our country or at least what benefit it is not giving us. Algorithmic trading is using very high speed computers with sophisticated computer programmes which initiate this trade, buy and sell trade, at a millisecond speed. So, by the time I pick up the phone and place the order, it would have bought and sold hundred or thousand times. These algorithms are

developed by highly sophisticated people, mathematicians, scientists and engineers. Algorithmic trade happens at a very fast speed. In a stably growing market, the algorithm trading does not help. If it is a volatile market, the algorithmic traders really make money. Unwittingly, all of us here, help this algorithm trading. In every Budget Session the market fluctuates and these algorithmic traders make a lot of money.

Sir, the algorithmic traders have an unfair advantage. Our normal Indian traders or normal Indian individual investors do not have this advantage. Most of these algorithmic traders are foreign institutional investors. When these foreign institutional investors use these algorithmic trading practices in the United States, they do not make that much money. It is because everyone uses it there. But, here in developing markets, they make much more money.

The real beauty of algorithmic trading is the self-feeding system. It makes the market volatile.

HON. CHAIRPERSON : Please conclude.

SHRI KONDA VISHWESHWAR REDDY : It is very important. Please give me just five minutes.

HON. CHAIRPERSON: You have only one minute more.

SHRI KONDA VISHWESHWAR REDDY : So, it feeds on itself and it makes the market more and more volatile. The more volatile it becomes, the more money they make. But the real beauty of it is that in algorithmic trading you do not need any investment. Without using any money you make money. Let me explain as to how it happens. When you buy something, you need investment till the time you sell it. But here, you buy and sell it in a millisecond. So, there is no money required. What value are these foreign financial institutions are bringing us? There is absolutely no value. They are just merely a money making opportunity and they are creaming the Indian market, giving them unfair advantage.

There are so many rules and we are going to give SEBI more teeth to catch these apparent traders. But, what about these algorithmic traders? We merely have a set of guidelines. If you do not follow these guidelines, there is no penalty. So, while we are really empowering SEBI to catch conventional violators, we are not empowering SEBI to restrict these highly sophisticated violators. I request the Finance Minister to look into it and instead of a millisecond, put a limit of one second at least.

Lastly, I want to say that people went to court, but they have lost. It is because our laws are meant like that. Courts cannot help our small Indian traders. We, the parliamentarians, can help them. So, I implore upon the Finance Minister to look into these algorithmic traders, their practices and protect the markets and small investors.

SHRI M.B. RAJESH (PALAKKAD): Thank you, Sir, for giving me an opportunity to speak on this Bill. Though I have certain reservations, I am generally in agreement with the provisions of this Bill and I rise to support this Bill. I support this Bill because this is an attempt to give teeth to an institution, which has become toothless by the passage of time. This is an attempt to strengthen an Act, which has been weakened by the passage of time.

Sir, this Bill seeks to empower and strengthen SEBI through enhanced powers. I think giving more powers to SEBI will further strengthen the regulatory provisions and will help to protect the interests of investors.

Sir, the Bill seeks to amend Section 15 A to 15 HB of the SEBI Act, which deals with imposing penalties. I have certain reservations in this area. According to the proposed amendment, while imposing monetary penalties, the adjudicating officers will have discretion to impose minimum penalties, which has been fixed at Rs.1 lakh. The maximum limit is left unchanged at Rs.1 crore. So, the Adjudicating Officers will have discretion to impose minimum penalties. Is this discretion necessary? Will it not open doors for corruption? Instead of giving discretion, there should be a slab on the basis of quantum of money involved in the offence. I feel that this will be an ideal solution for it.

I feel that even the upper limit of Rs. 1 crore, as fine, is not sufficient. We have seen a series of financial crimes in the recent period, especially, in the post-liberalisation era, and thousands of crores of rupees of investors have been looted in these financial crimes. So, compared to the crimes being committed in the financial world, this fine of even Rs. 1 crore seems to be very insufficient. Those who are committing such fraud will be happy to offer a fine of Rs. 1 crore in advance. They will offer the fine in advance every year, and they will go on to violate the provisions of this Act. So, the Government should enhance even the upper limit of fine, and for this I would again suggest that this should be based on the quantum of money involved in the fraud and it should be proportionate to the quantum of money involved in the fraud. If you are really serious and sincere in protecting the interest of investors, then you will have to look into these aspects.

Secondly, I would like to draw the attention of the hon. Minister to one particular aspect. Currently, SEBI rules make it mandatory for any company, including a PSU listed in SEBI, to release at least 25 per cent of shares for trading in the market. If a company has to be listed in SEBI, then that company has to offer at least 25 per cent of its share for market trading whereas earlier it was 10 per cent. What does it mean? It is nothing but forcing those companies to disinvest their shares through backdoor. This is encouraging disinvestment through backdoor. ...(*Interruptions*)

Sir, I am concluding in a minute. So, I would like to appeal to the hon. Minister to look into these aspects. Though, I am well aware that the economic philosophy of this Government is encouraging disinvestment, but this aspect should also be looked into.

Finally, as many of my esteemed colleagues have pointed out rightly, we have seen a series of frauds being committed by chit funds. We have seen how chit funds have been cheating millions of poor people in the country, and Shri Kirit Somaiya and many others have rightly pointed out this aspect. Though, there is not much difference between NBFCs and chit funds, but NBFCs are at least covered by certain law and regulatory framework. Though, chit funds are also covered by some Act and law, but chit funds are not covered by effective regulatory framework. So, I would like to appeal to the hon. Finance Minister to address this issue also to put the chit funds under some effective regulatory framework.

With these words, I would like to conclude.

SHRI VARAPRASAD RAO VELAGAPALLI (TIRUPATI): Sir, I thank the Chair for giving me this opportunity. I consider that this Bill is very appropriate and has come at a very appropriate time because the securities/capital market is ever expanding. Similarly, frauds are also taking place in a large number. Therefore, I congratulate the present and also the previous Governments for taking this step.

My only worry is that 'absolute power corrupts absolutely', if we go on giving powers to SEBI without any checks and balances. If one looks at its composition, it is really scary because it has all the three powers rolled into one: it has legislative powers; it has executive powers; and also, it has judicial powers. Therefore, it is extremely unfortunate that we keep on giving more powers to SEBI, amendment after amendment, without any checks and balances. I want to back it up with figures. It has, to my knowledge, around 10 members in its Board. All the nine, except one, are nominated by the Government of India; and fortunately or unfortunately, that lone member is appointed by the Reserve Bank of India. The Chairman is nominated by the Government of India; there are two nominees from the Ministry of Finance; and the rest five are also nominated by the Government of India. There is no check on how these people are appointed and all that. Therefore, I would request the hon. Minister to look at this aspect also because 'extra power' always 'corrupts'. We have several institutions in India itself where it has happened. The classic example is the Medical Council of India about which the present Health Minister has repeatedly mentioned in all his Press Conferences that MCI was corrupt. Therefore, let us not make another organization which will be leading to corruption.

There is no accountability whatsoever of SEBI

in what we are contemplating here. The Chairman is nominated, and the Chairman nominates the Adjudication Officer, and also the Chairman nominates the Recovery Officer. They only go to the court and get the orders. So, nowhere there is any check or balance to control them. We all know that 'transparency' is totally absent in SEBI activities. I would, once again, request the hon. Minister to look into this aspect.

I want to again substantiate this. Two or three years back, one whole-time member of SEBI, Mr. K.M. Abraham, wrote a note or letter to the Prime Minister about the problems that he is facing or the diseases that are plaguing SEBI. He said, "Regulator SEBI is under duress. Under severe attack from the powerful corporates, under the deadly influence of the Finance Ministry, there is a pressure to favour the Sahara Group, the Reliance Group, Bank of Rajasthan and what not—so many." Therefore, I would like to know from the hon. Minister whether the note or the letter written by a full-time member, who has put in more than 30 years of service in the Government, has been taken into consideration.

We all know that frauds are taking place; frauds to the tune of Rs. 3,000 crore are taking place, but there is no check. There are as many as 15 regulatory authorities doing the same job. Therefore, standardization is required to be done by the hon. Minister. A common KYC (Know Your Customer) will greatly help in mobilizing more funds.

Insider trading is taking a big shape and lots of frauds are taking place. This has not been clearly addressed in this Bill. Therefore, I would request the Minister to address the problem of insider trading. It has to be looked into by an expert committee rather than doing it on your own.

Sir, with regard to chits funds, *nidhis* and Ponzi like Amway, these are so prevalent all over the country. There is no standardization. Many of my colleagues have mentioned that there should not be a cap of Rs. 100 crore. That cap must be reduced further so that more companies which are resorting to frauds could be covered. I also take this opportunity to request the hon. Minister to mobilise more funds for the infrastructure. The Infrastructure Investment Trust may be encouraged by standardizing their rules and regulations.

The Reserve Bank conducted an all India campaign against the frauds. I do not think that any one of us is aware of that campaign. Unfortunately, I worked in Reserve Bank. There should be such kind of all Indian campaigns against the frauds by different mechanisms so as to alert the public at large. Most of the sections mentioned in this Bill are with retrospective effect which may lead to a lot of problems at a later stage.

The disgorged money is credited to the Investor Education and Protection Fund. But it is the prerogative of the Board how to use that money. Therefore, we are entrusting again the entire responsibility on the SEBI.

Thank you once again to the Chair for giving me this opportunity.

श्री राजीव प्रताप रूडी (सारण) : सभापति महोदय, सेबी की स्थापना 1991 में एक नरसिम्हन कमेटी का गठन हुआ था, उस समय मूल रूप से बड़ी मार्केट के बारे में यह तय किया गया कि ऑपरेशनल एफिशिएंसी ऑफ स्टॉक मार्केट और नॉन बैंकिंग फाइनेंशियल इंस्टीट्यूशंस पर विचार करना है। उसके पहले इस देश में तीन एक्ट थे - कम्पनीस एक्ट 1956, सिविलिटी एक्ट 1956 और केपिटल एक्ट; इन तीनों को मर्ज करके 1992 में यह एक्ट लाया गया। मुझे पूरा विश्वास है कि सदन के भीतर जब इस प्रकार का एक्ट लाया गया होगा तो उसके पीछे सोच होगी कि इस देश में केपिटल मार्केट में जो निवेश है, उसको नियंत्रित किया जाए। लेकिन पता नहीं, उस समय सरकार की क्या मजबूती थी कि जो एग्जम्पशंस दिए गए, वे इस प्रकार के थे। अगले 20-22-25 वर्षों तक उस एग्जम्पशंस का उपयोग करके इस देश में उस प्रकार की घटनाएं हुईं, जिसके कारण आज हम जीवित होकर उसका संज्ञान ले रहे हैं। सेशन 11 के तहत जो एग्जम्पशंस दे दिए गए थे, उसमें यह तय किया गया था कि किसी प्रकार की स्कीम हो, जो कोऑपरेटिव सोसायटी से जुड़ी हो, उसे राज्य सरकारों देखेंगी। जो नॉन बैंकिंग फाइनेंशियल इंस्टीट्यूशन से हों, उसे रिजर्व बैंक ऑफ इंडिया देखेगी, जो इन्वेंचर्स से जुड़ा हुआ मामला हो, जिसमें निवेश करने का मामला हो, उसे आईआरडीए देखेगा। पेंशन से जुड़ा हुआ जो मामला है, एग्जम्पशन के तहत जो दिया गया था, उसे पीएफआरडीए देखेगा, जो उसका रेगुलेटर है। इसी प्रकार से कोई डिपोजिट स्कीम या विट् फंड स्कीम आएगी तो वह कम्पनीस एक्ट के तहत देखी जाएगी या किसी राज्य सरकार के द्वारा देखी जाएगी। विट् फंड और निधि फंड के बारे में इसी प्रकार से लिया जाए।

15.59hrs (Shri Anandrao Adsul in the Chair)

सभापति महोदय, मैं आपके माध्यम से सदन में कहना चाहता हूँ कि 1992 के एक्ट में जो एग्जम्पशंस दिए गए थे, उसके कारण जिन लोगों ने तय किया, उन लोगों ने उसका उपयोग करना शुरू

किया। हमें याद है कि वर्षों से, मैं आपको उदाहरण दूंगा कि इन्वेस्टर्स द्वारा एक योजना लाई गई, emu एक बड़ी विडिया होती है, उसके लिए उसमें कहा गया। तमिलनाडु में emu फार्मिंग के ऊपर 156 करोड़ रूपए विडियों के ऊपर उठा लिए गए। उस समय यह बात चर्चा में आई। बीस साल पहले यूकलिपटस के प्लांटेशन पर बहुत चर्चा होती थी कि आप यूकलिपटस के प्लांटेशन पर पैसा लगाएं तो आपका पैसा दो का चार हो जाएगा।

16.00hrs

वह वर्षों तक चलता रहा। उस प्रकार की कई सारी प्लांटेशन स्कीम्स आती रहीं और देश चुपचाप देखता रहा, क्योंकि उसका निर्धारण राज्य के कई अन्य कानूनों के तहत होता था। इसी प्रकार से चिट फंड्स आए। वीआर इंडस्ट्रीज, प्रशांत वेल्थ मैनेजमेंट है, जिसने पांच हजार निवेशकों से लगभग 15 सौ करोड़ रूपए ले लिए, वीकेएस स्कीम है 34 करोड़ रूपए, जिसने कहा कि यह ऐसा फंड कि हम आपको इजरायल एक हफ्ते तक घुमायेंगे और इजरायल यात्रा में जो हमारी बचत होगी, उससे हम भारत के भीतर अस्पताल और स्कूल चलायेंगे। इस प्रकार की योजनायें बना-बनाकर लोगों को नुकसान पहुंचाया गया।

दक्षिण में किसी स्थान में एक के तीन स्कीम में पैसे जमा करके लगभग तीस करोड़ रूपए ले लिए गए। ... (व्यवधान) कई तरह की स्कीम्स ऐसी हैं, ओडीशा में पोंजी स्कीम दुखी, कंथमाल डिस्ट्रिक्ट जो देश का सबसे गरीब जिला है, वहां एक योजना चलाकर लगभग साठ करोड़ गरीबों का लिया गया। इसी प्रकार से पश्चिम बंगाल में भी हाल-फिलहाल एक शारदा स्कीम दुखी, उसके बारे में भी सुनने में आया है। उसका क्या अमाउंट था, हमारे मित्र यहां नहीं बैठे हैं, वे बता देंगे कि उसका अनुपात क्या था? लेकिन इस बात को हमें महसूस करना होगा कि सेबी ऐज ऐ मार्केट रेग्युलेटर, उसका मार्केट कैप क्या है? आज सेबी का मार्केट कैप लगभग 1286 बिलियन डॉलर है, मुझे लगता है कि अमेरिका के बाद इतनी राशि का जो मार्केट कैप है, वह भारत में है। जो नेशनल स्टॉक एक्सचेंज है, उसका प्रत्येक दिन 20 बिलियन डॉलर का ट्रांजैक्शन है। आप अनुमान लगा सकते हैं 20 बिलियन डॉलर लगभग एक लाख करोड़ से भी ज्यादा का ट्रांजैक्शन, स्वाभाविक है कि इतना बड़ा निवेश अगर सामान्य लोगों का हो रहा है तो इसे नियंत्रित करने की बड़ी आवश्यकता है।

खड़के साहब, हम यह कहना चाहेंगे कि हमारी सरकार की नीयत यह जरूर है कि जो कुछ आपने अच्छा किया होगा, हम उसे नकारेंगे नहीं। यह एक अच्छा कदम उठाया गया था, उसे आप लाये, उसमें हमारे मंत्री जी ने थोड़े संशोधन किये जो सिविल यस्ट्स को प्रोटेक्ट करने के लिए हैं, सिटिजंस को प्रोटेक्ट करने के लिए हैं, लेकिन आपने जो अच्छा काम किया हो, निश्चित तौर से हम उसे लेकर आयेंगे। पहले क्या होता था? पहले इस देश में तमाम लूप होल्स के कारण जो कलेक्टिव इन्वेस्टमेंट्स स्कीम्स थीं, उसमें परिवर्तन किया गया और सेक्शन 11 में संशोधन करके यह कहा कि अब इस देश में, अभी तक ये जो 9 स्केप रूल्स हमने आपको बताये हैं, इसके अतिरिक्त अगर इस देश में कहीं पैसे का जुगाड़ करके एक साथ जमा किया जाता हो, नम्बर एक, चाहे वह सेबी से रजिस्टर्ड हो या न रजिस्टर्ड हो और किसी भी कॉरपस का, इस देश में कहीं भी निवेशक अगर 100 करोड़ रुपये से ज्यादा एक जगह जमा करते हैं तो सेबी का कानून उस पर सीधा लागू होगा और उसमें एक बहुत बड़ा परिवर्तन आएगा। हमारे मित्र यहां नहीं हैं, वे कह रहे थे कि चिट फंड क्यों? आप चिट फंड का नाम नहीं भेजिए, कल किसी और नाम को दे दीजिए, लेकिन सवाल है कि उसको आप कैसे पहचानेंगे कि यह कलेक्टिव इन्वेस्टमेंट स्कीम है या नहीं? सरकार ने यह तय करके कह दिया कि 100 करोड़ रूपए से ज्यादा कहीं भी कोई खाते में जमा होता है, चाहे किसी योजना के तहत हो, हम उसको कलेक्टिव इन्वेस्टमेंट स्कीम मानेंगे।

उसमें एक और चीज है, पहले यह था कि हमेशा यह कलेक्टिव इन्वेस्टमेंट स्कीम 1992 एक्ट के तहत सिर्फ कम्पनियां ही कर सकती हैं। इस बार उसमें एक बड़ा परिवर्तन किया गया। यह कहा गया कि अगर व्यक्ति भी कहीं अपनी कंपनी खोलकर या दुकान खोलकर यदि सौ करोड़ रूपए जमा करता है, तो वह भी इसकी परिधि में आएगा, वह भी इसी विधान के तहत आएगा। यह एक बड़ा परिवर्तन है, इसके साथ-साथ एक और प्रावधान कर दिया गया। इन तमाम चीजों को छोड़ दीजिए, यदि बैंक की सरकार यह महसूस करती है कि किसी योजना में निवेश आया है, सामान्य लोगों का निवेश आया है या किसी प्रकार का निवेश आया है, उसमें यदि सरकार चाहे तो सेबी के कंसल्टेशन के बाद उसको भी कलेक्टिव इन्वेस्टमेंट स्कीम डिवलैयर कर सकती है। इससे बढ़िया क्या हो सकता है? इस देश में लोगों का मन और रूतबा ऐसा है कि कई-कई ऐसी योजना बना देते हैं जो समझने में बड़ी कठिन होती हैं। कानून में सरता निकालना और कानून के गलत उपयोग करने का सरता निकालना भारत में कई बार देखा गया है। मुझे लगता है कि ये तीन विषय अपने आप में महत्वपूर्ण हैं। पहले क्या होता था, कठिनाई क्या होती थी? सेबी एक्ट बना हुआ था, लेकिन उसमें क्या कठिनाई थी? आपको अगर सेबी ने आदेश दे दिया कि साहब, इसने गलत किया है, इससे पैसा वापस लिया जाए, वह हाई कोर्ट, लोअर कोर्ट में चला जाता था। अगर उसने फीस जमा नहीं की है, सेबी कोई भी आदेश दे दे उसका पालन नहीं होता था, डिस्कोर्ड एमाउंट जहां पैसा वह ले जाकर रखे हैं, यह हो कि आपने यह गलत रखा है, निवेशकों को इसे वापस कर देना है, उसके आदेश का पालन नहीं होता था। इस प्रकार से हजारों करोड़ रूपए का डिस्प्यूट आज कोर्ट में पड़ा हुआ है, जिसके बारे में कोई चर्चा नहीं है।

अब इस कानून के तहत जो प्रावधान किए गए हैं, ये अपने आप में अद्भुत हैं। बड़े-बड़े चिट फंड जो चलाते हैं, आप उनकी संपत्तियों को देखें, कहीं दिल्ली में फॉर्म हाउस, कहीं केमन आईलैंड्स में फॉर्म हाउस, उसकी कोई सीमा नहीं, मुंबई में फॉर्म हाउस, बड़ी-बड़ी लिमोजिन गाड़ियां, सेबी देख रहा है कि यह सब पैसा सामान्य लोगों का है। उसके पास जहाज, हेलिकॉप्टर जो भी हो, लेकिन उसके पास अधिकार नहीं था कि उसके खिलाफ कार्रवाई कर सके। अगर सी.आई.एस. स्कीम में 100 करोड़ रु. से ज्यादा हो और उसमें अनियमितताएं पाई जाती हैं तो सीधे उसकी सम्पत्ति को अटैच करने का अधिकार है, उसे बिल्कुल सील कर देने का अधिकार है। कहीं कोई गाड़ी हो, बड़ी लिमोजिन हो, बड़ा स्कूल-विद्यालय जो अपने नाम पर चला रहे हों, उन्हें बंद करने का अधिकार है। मुझे लगता है कि यह बहुत बड़ा काम है। साथ-साथ एक और अधिकार दिया गया है। कई लोगों ने यह कहा है कि यह कानून बड़ा ड्रैकोनियन है कि आप किसी को गिरफ्तार भी कर सकते हैं। अगर, इसका अवलोकन किया जाए तो आप इनकम टैक्स के तहत गिरफ्तार कर सकते हैं, आप कस्टम एक्ट के तहत गिरफ्तार कर सकते हैं, आप ई.डी. एक्ट के तहत गिरफ्तार कर सकते हैं। अगर इसमें यह प्रावधान किया गया है और किसी ने कहा है कि यह बड़ा कठोर है और सेबी को अधिकार है तो इसमें गिरफ्तार करने का अधिकार है। मैं समझता हूं कि यह ठीक है क्योंकि सामान्य लोगों का पैसा है।

महोदय, हमने पहले बताया है कि हमारा जिस प्रकार का कैपिटल मार्केट है, अमेरिका का कैपिटल मार्केट सम प्यू थाउजैंड ट्रिलियन डॉलर का मार्केट है, यह बहुत बड़ा मार्केट है, मैं आपको आंकड़े बता सकता हूं। पहले सेबी के पास अधिकार था कि मालिक से पूछताछ न करके, उसके कर्मचारियों से पूछताछ की जा सकती थी। जो सिविलिटी मार्केट से जुड़े लोग हैं उन्हीं से पूछताछ हो सकती है। मार्केट मैनिपुलेशन में जो उनके कर्मचारी हैं उनसे पूछताछ हो सकती है लेकिन जो सीधे तौर पर इस काम में लगे हैं उनसे पूछताछ नहीं हो सकती है। आप को याद होगा कि श्रीलंका के राज रत्नम के साथ वाल स्ट्रीट में लगभग 200 मिलियन डॉलर का जो घपला हुआ था उसमें इसी प्रकार की इनसाइडर ट्रेडिंग है। ... (व्यवधान) उसमें पहले जानकारी प्राप्त करने का अधिकार नहीं था। जब तक आप जानकारी नहीं प्राप्त करेंगे और आप जानकारी किससे प्राप्त कर सकते हैं, आप जानकारी टेलीकॉम डिपार्टमेंट, प्राइवेट ऑपरेटर्स और एम.एच.ए. से प्राप्त कर सकते हैं।

सर, इसमें एक महत्वपूर्ण विषय है कि इसमें फोन रैपिंग का अधिकार नहीं है। जिन लोगों को लगता है कि सेबी के पास फोन रैपिंग का अधिकार है, यह अधिकार नहीं है। अगर कहीं 4 लोग बात कर के इंसाइडेड ट्रेडिंग कर रहे हैं, बार-बार चार लोगों में बात हो रही है तो access to call records was important to establish insider trading, इस अधिकार को दिया गया है। साथ-साथ यह प्रावधान किया गया है कि किसी की प्राइवैसी प्रभावित न हो। फोन रैपिंग का अधिकार इसमें नहीं है लेकिन कॉल डेटा रिकॉर्ड्स की जानकारी ले सकते हैं, मैं समझता हूं कि यह बहुत अच्छा कदम है।

पहले सेबी के चार-पांच स्थानों पर कार्यालय होते थे। आप चार-पांच स्थानों पर जा कर उनके जूडिशियल मजिस्ट्रेट से रिवेस्ट करते थे, आपको आठ-दस स्थानों पर जा कर आग्रह करना होता था, तब आपको सर्व का अधिकार मिलता था, अटैचमेंट का अधिकार मिलता था। इसके तहत यह हुआ है कि मुंबई में सेबी का एक डेजिनेटेड कोर्ट होगा। आप वहां जा कर चुपचाप आवेदन फाइल करेंगे तो आपके पास पूरे भारतवर्ष में इसकी जांच करने का अधिकार होगा। मुझे लगता है कि यह प्रावधान सब को स्वीकार्य होगा और यह सही प्रावधान है।

महोदय, 11(बी) में डिस्कोजमेंट का अधिकार था। लोग पैसा जमा कर के रख लेते थे लेकिन सेबी के निर्देश और आदेश के बाद भी डिस्गार्ज करने का अधिकार नहीं था। इस बार रेट्रोस्पेक्टिव इफेक्ट से इस अधिकार को दिया गया है। 11(बी) में संशोधन कर के यह सुनिश्चित किया गया है कि इन्वेस्टर्स का जो भी मनी डिस्गार्ज करने के लिए सरकार का आदेश हो, उसका अधिकार दिया गया है। मुझे लगता है कि यह बड़ा काम है।

महोदय, यू.एस.ए के सिविलिटीज एक्सचेंज में 20 ट्रिलियन डॉलर का एक्सचेंज है। कई बार इस प्रकार की संस्थाओं के साथ भारत के सेबी को भी संपर्क साध कर, अपने स्टॉक मार्केट से और उनके स्टॉक मार्केट से संवाद कायम करना होता था। पहले यह अधिकार नहीं था। आज यह अधिकार दिया गया है कि अंतरराष्ट्रीय स्तर पर भी जा कर, दुनिया के किसी कोने में अंतरराष्ट्रीय बाजार के स्टॉक बाजार से संवाद कायम कर सकते हैं। अपने बाजार से उनके बाजार में होने वाले फ्लक्चुएशन और किस प्रकार की ट्रेडिंग हो रही है तो आप उस विषय के बारे में जानकारी ले सकते हैं। यह प्रावधान किया गया है।

महोदय, इसमें सबसे बड़ी कठिनाई यह थी कि जो कंसेन्ट सेटलमेंट थे, अमेरिका में जो नॉन-क्रिमिनल टाइप के ऑफिस हैं, वहां सेबी और जो स्टॉक होल्डर्स के बीच आपस में समझौता हो तो कंसेन्ट के आधार पर 95 प्रतिशत चीजों का निपटारा हो जाता है, लेकिन भारत में सेबी ने जो आदेश दिया है उसे लेकर कुछ लोग कोर्ट में चले गए और यह अधिकार नहीं था, कोर्ट ने भी कहा कि यह अधिकार नहीं है। जब तक कंसेन्ट का प्रावधान दुरुस्त नहीं किया जाएगा तब तक आपके पास यह अधिकार था। यह आवश्यक था कि बहुत सारे सेटलमेंट्स के लिए कंसेन्ट का जो मामला है उसे लागू करने के लिए इसमें संशोधन किया गया है। इस प्रकार सेबी के जो तमाम प्रावधान हैं, जब से पिछली सरकार ने इसे लागू किया, तब से 28 फर्म और 2500 करोड़ रुपये तक वापिस लौटाने का आदेश हो गया है। लगभग 1385 अटैचमेंट और 1600 करोड़ रुपये के अटैचमेंट इस प्रोसीजर से प्राप्त किए गए हैं। लगभग 27 अंतर्राष्ट्रीय संस्थाओं से समझौता कर लिया गया है।

एक सवाल और उठता है कि आखिर सौ करोड़ रुपये से कम हो तो उसका क्या होगा। स्वाभाविक है बहुत सारे स्थानों पर सौ करोड़ रुपये से कम का भी घपला हो सकता है। उसके लिए राज्य सरकारों को अधिकार है। बीच में जब तमिलनाडु सरकार ने स्टेट डिपॉजिटर्स प्रोटेक्शन एक्ट बनाया, उस समय किसी ने पीआईएल द्वारा तमिलनाडु में जाकर उसका विरोध किया। वहां की कोर्ट और सुप्रीम कोर्ट ने कहा कि राज्य सरकारों को भी अधिकार है कि स्टेट डिपॉजिटर्स एक्ट का निर्माण करें। आज देश में लगभग 16 राज्यों ने इसका गठन किया है। उसमें पश्चिम बंगाल भी है। वहां पिछली सरकार में राष्ट्रपति के यहां एक्ट लंबित था। इसके तहत डिस्ट्रिक्ट मैजिस्ट्रेट और एसपीजी को भी अधिकार है कि वे निष्पत्ती कर सकते हैं, सर्व और सीजर कर सकते हैं। मुझे लगता है कि इस देश में जहां सामान्य लोगों द्वारा इतनी बड़ी माफ़ा में इतनी बड़ी राशि का उपयोग किया जाता है, यह बिल वादे पिछली सरकार का क्यों न हो, हमारी सरकार और वित्त मंत्री ने प्रथम सेशन में ही आर्डिनंस को बिल में परिवर्तित करने का काम देश के करोड़ों लोगों के हित में किया है। हम अपनी सरकार का इस अच्छे कदम के लिए आभार व्यक्त करना चाहेंगे।

श्री जय प्रकाश नारायण यादव (बॉका) : सभापति महोदय, हमारा देश गरीब मुल्क है और इस गरीब मुल्क में कई तरीकों से आर्थिक शोषण किया जाता है जिससे बड़े पैमाने पर गरीब लोगों को नुकसान होता है। करोड़ों निवेशक अपनी पूंजी इसलिए लगाते हैं कि बचत होगी, मुनाफा होगा, लाभ होगा, आय के स्रोत प्राप्त होंगे जिससे अपने बाल-बच्चों के जीवन स्तर को शिक्षा के क्षेत्र में ऊंचा उठा पाएंगे। करोड़ों निवेशक बहुत बालाक और चतुर लोगों के हाथों के शिकार हो जाते हैं। इसका नतीजा भी सामने आया है। फेक और फर्जी संस्थाएं बन जाती हैं जो अपने व्यापक प्रकार के माध्यम से कम्पनियां चलाती हैं। इतना व्यापक प्रकार होता है जैसे लगता है कि अब दुनिया उलट जाएगी, अगर कम्पिटिशन में विलंब हो गया तो हम बहुत पीछे छूट जाएंगे। लोग सोचते हैं कि अगर पेट का दाना काटकर भी पैसा जमा करना पड़े तो करना चाहिए। खून चूसने वाली कम्पनियां भारतवर्ष में पनपती, पलती, बढ़ती रही हैं और आर्थिक शोषण करके अपना महल खड़ा करने का काम करती रही हैं। इस पर रोक लगाकर कठोर कानून बनाने का जो प्रावधान आया है, यह बहुत ही स्वागत योग्य है। हम बचत के चक्कर में परेशानी में पड़ जाते हैं।... (व्यवधान) आम आदमी को भारी परेशानी होती है। इससे गड़बड़ियां और घोखा घड़ी पर रोक लगाने का काम होगा। यह पूर्व सरकार से चला आ रहा है, लेकिन वर्तमान में पास हो रहा है। गड़बड़ी, घोखा घड़ी के माध्यम से बड़े पैमाने पर वादे वित्त फंड का सवाल हो, शारदा स्कैम का सवाल हो या कई ऐसे स्कैम हैं जिनके माध्यम से मुम्बई से लेकर देश के चारों तरफ होशियार और बालाक लोग शोषण की चक्की में समाज के लोगों को पीसने का काम करते रहे हैं। इसमें कई एनजीओज हैं। ऐसी संस्थाएं भी फेक और फर्जी हैं। उन पर नजर रखना बहुत जरूरी है। हम सब एनजीओज के बारे में नहीं कहते, एक साथ सबको बदनाम नहीं करते। लेकिन ऐसे भी एनजीओज हैं, जिन पर हमारी मुनासिब राय है कि उन पर नजर रखनी चाहिए। शेयर बाजार के माध्यम से भी लोग शोषण की चक्की में पीस जाते हैं। उनको पता नहीं चलता कि शेयर मार्केट में क्या हुआ, उछाल आया या नहीं आया आदि। इसे पारदर्शिता बनाकर रखना भी सबसे बड़ी जिम्मेदारी है।

महोदय, आर्थिक शोषण पर रोक लगाने के लिए यह बिल आया है। हमारा कहना है कि आप सेबी को भी इतना पावरफुल न कर दें, जिससे यह न लगे कि सेबी ही सब कुछ है। सेबी ही सत्यमेव जयते है, यह भी नहीं होना चाहिए। इसलिए कानून के साथ हमारी निगरानी, निगाह रखनी चाहिए। इसे बहुत ज्यादा पावरफुल नहीं बनने देना चाहिए, बेलगाम नहीं होने देना चाहिए। यानी बैंक एंड बैलेंस के माध्यम से उस पर नजर रखनी चाहिए। इसके साथ-साथ सेबी को जो अधिकार दिये गये हैं, उन अधिकारों का सही ढंग से इस्तेमाल हो, ताकि हमारे देश के गरीब, अनपढ़ और अशिक्षित लोगों का आर्थिक शोषण न हो सके। वे समझते हैं कि हमें मुनाफा हो जायेगा, लाभ मिल जायेगा, इस वजह से उनका शोषण होता है। इस कानून से वह दरवाजा बंद करने का जो प्रयास हुआ है, वह बेहतर है।

अंत में, मैं यही कहना चाहूंगा कि हमें इस पर नजर रखनी चाहिए। इन्हीं शब्दों के साथ मैं अपनी बात समाप्त करता हूँ।

***SHRI S.S. AHLUWALIA (DARJEEING) :** Respected Chairman Sir, I represent West Bengal and today I wish to speak in Bengali. I hope the interpretation facility has been made available. Since yesterday we have been discussing the Securities (Laws) Amendment Bill, 2014 which is a long pending Bill. Ordinances were brought four times to bring about this amendment. But those could not be replaced by an Act. This Government was committed to convert the ordinance into a law and thus it has decided to pass it today.

I have been dealing with these issues for a long time. The new economic policy came into force in the year 1991 and there were apprehensions that there would be various scams as a result of the new policy. So in order to deal with the apprehensions, the Narsimhan committee was set up. Just when the report of that committee was presented, the nation was rocked by a major security scam called Harshad Mehta scam. A Joint Parliamentary Committee was constituted after that of which I was a member. I was also a member of the committee which helped in conversion of Controller of Capital Market Division of Finance Ministry into the Stock Exchange Board of India. We were witness to the setting up of SEBI but the then Government continued with a loophole in it. It was said that the depositor's scheme would remain under the purview of the State Governments. That means only Stock Market activities would be handled by SEBI. Today we are trying to pass this bill but if we look at the soul of SEBI Bill, in Section 11, it is clearly mentioned in the function of the Board subject to the provisions of this Act, "it shall be the duty of the Board to protect the interest of investors in securities and to promote the development of the and to regulate the securities market by such measures as it thinks fit." Thus SEBI was destined to look into the interest of the securities market only. That was the basic flaw.

Ordinary people have a tendency to save whatever little they earn. A poor person who may be a labourer or a farmer toils hard and keeps aside a part of his

earning to perhaps marry off his daughter in future or help his child go for higher education. In earlier days, there were money lenders who used to lure these hapless people with attractive rate of interest and used to take deposits. Gradually, the chit funds came into existence which became 'cheat funds' in no time. The names of such chit funds were unique – like 'Sanchayita' in West Bengal. It looted people and vanished in thin air but the Government did not take any action against that company and lakhs of people were impoverished. Then came 'Peerless'. Again it duped people under Government patronage. People lost everything. Some had thought of getting back their money for children's marriage or medical education or engineering studies but their hopes were shattered. The funds were grossly misused and common people were exploited like anything. But the then Government kept silent. No strong action was taken against 'Sanchayita' or 'Peerless' or 'Kuber'. Few persons were put behind bars but later were instructed to wind up their companies. Investors did not get back their money. Even today they are longing for justice. They are still suffering from the pain inflicted by these fraud companies. They say that they have been cheated. So today this Bill is to be passed to arrest further damage. However it is said in the statement of objects and reasons that "it has become necessary to enhance the powers of the Board. a) to call for

information not only from the people or entities associated with the securities market but also from persons who are not directly associated with the securities market " It means, as I was talking about Section 11 which is the core of SEBI, the purview of Act has been expanded a bit because earlier only the securities market activities were included. Now it proposes to go beyond that. But I wish to say that it should be mentioned in clear terms that the chit funds will also be covered by this Bill. Lakhs of people have been cheated by this fraud chit funds in the state of West Bengal. We all know about the Saradha scam. Scores of depositors have lost everything they had due to this Saradha scam. Sir, I am talking about the downtrodden, poor and common people, please allow me to speak for some more time. These hapless people have no where to go. Hundreds have already committed suicide. They could not get back the money they had invested. All their savings are gone. Many other small, medium chit fund companies are still operating in West Bengal. They have taken deposits from even the labourers of the tea estates who earn a meagre sum of Rs.95 per day. The money was never returned in time. When the Saradha scam was unearthed, the people who were involved in it suddenly disappeared. CBI has been pressed into action to investigate the matter. My point is that whoever is involved in this scam, howsoever renowned he / she might be, must be punished. And where has the money gone? How can the money be recovered? We should try to return it to the poor investors come what may.

I want to point out another thing. It has been said Under Section 12A of securities contracts, Depositories Act 1996: " as the case shall be credited to the investors' protection of education fund established by the Board". I wish to say that SEBI headquarters is in Mumbai. It has branches in several other capitals. They control the investors Education Fund and certain NGOs are there who impart education. But who will educate those poor people who stay in the rural and far flung areas, villages, forests, or those who work in the coal mines and tea gardens. Who will make them understand which company is genuine and which is fake? The question before them is whether these companies will refund their hard-earned money or will flee. The people of West Bengal want justice from Hon. Finance Minister.

When our respected leader Shri Narendra Modi ji visited Bengal for election campaign, he made a promise to the people. He had said that people involved in the Saradha scam would be taken to task and duly punished. No one will be spared. Howsoever powerful or important persons they might be, they would be brought to book if found guilty. I believe, this Bill will definitely help us to fulfil his promise. With these words I thank you for allowing me to participate in this debate and conclude my speech.

श्री. अरुण कुमार (जहानाबाद) : माननीय सभापति महोदय, सिक्कोरिटीज लॉज अमेंडमेंट बिल, 2014 पर परिचर्चा में भाग लेने के लिए आपने समय दिया, इसके लिए मैं आपको धन्यवाद देता हूँ।

महोदय, कल से ही इस पर चर्चा हो रही है और इस विषय के जानकार कई माननीय सदस्यों ने अपनी राय व्यक्त की है। जब कल बिल मूव किया जा रहा था, बिल के अंदर जो परिवर्तन किया गया है और इसे प्रभावी बनाया गया है, माननीय वित्त मंत्री जी ने एक संक्षिप्त परिचर्चा से शुरुआत की, तो सदन को यह विश्वास हुआ कि वर्ष 1992 का जो कानून था और उसके बाद जो कई तरह की घटनाएं हुईं, बड़े स्कैम्स हुए, उसमें स्कैम्स के निकलने का जो रास्ता था, उसको रोकने के लिए कई मजबूत प्रयास इस बिल में किए गए हैं। मैं वित्त मंत्री जी से कहना चाहूंगा कि कानून की सख्ती हो और कानून से ऐसे स्कैम्स पकड़े जाएं, यह एक सवाल है। विद्यार्थी जीवन से, जब हम लोग कॉलेज में पढ़ते थे, तो बिहार में एक गरुड़ चिट फण्ड था, उसी काल-खण्ड से इस घटना को हम लोग देखते आ रहे हैं और इसका वाक्यूम बढ़ता चला जा रहा है। आज जो स्थिति बनी है, इसमें जब गरीब परिवार के लोग फंसते हैं, तो उनके सामने आत्महत्या करने के अलावा कोई उपाय नहीं होता है। जब ऐसे चिट फण्ड विभिन्न रूपों में आते हैं, जो रजिस्टर्ड हैं, उनका अलग मामला है, जो हजारों अनरजिस्टर्ड कंपनियां जब देहाती इलाके में पहुंचती हैं, तो बहुत से लोग, लोगों को समझाने का काम करते हैं कि यह चिट फण्ड आपकी सम्पूर्ण जीवन की कमाई को धो कर ले जाएगा।

अभी माननीय सदस्य इस बिल पर बोल रहे थे और उन्होंने तमिलनाडु में बंदर वाली कहानी बताई कि बंदर कैसे गायब हो जाता है और जब 10,000 रुपए दिए जाते हैं तो वही बंदर बेचने के लिए लोगों के सामने लाया जाता है। कई तरीकों से समाज को ठगने के लिए प्रयोजित किया जाता है और समाज में इस बारे में दो धाराओं के लोग होते हैं। जब समाज में, जिला स्तर पर या राज्य स्तर पर यह प्रचारित किया जाता है कि यह व्यक्ति या कंपनी वीटर है, यह 3,000 रुपए के 10,000 रुपए बनाने की बात करती है तो लोग खुद समझें कि ऐसा कौन सा मेकेनिज्म है। लेकिन लोगों के मन में लालच आ जाता है और वे इनके जाल में फंस जाते हैं। इस काम के लिए ऐसे लोग कई तरह के विश्वास पैदा करने के लिए समाज के प्रतिनिधियों को या प्रभावशाली पदाधिकारियों का भी सहयोग लेते हैं। इसलिए सरकार सेबी को निश्चित तौर से ताकत दे और उसके अठन में पारदर्शिता लेनी चाहिए।

मैं यह कहना चाहूंगा कि सरकार कोई ऐसा प्रवधान करे कि आम लोगों को इस बारे में सचेत करे कि निवेशकों से या मार्केट स्टाक के जरिए ये लोग पैसा ले रहे हैं, वह पैसा गलत जगह डाल सकते हैं। इसलिए जिला स्तर पर या कमिश्नरी स्तर पर फौरेन कोई एक्शन प्लान बनाया जाए या सेबी को बताने के लिए कोई तंत्र हो, जिससे गरीब का पैसा लुटने से बच जाए।

वित्त मंत्री जी कानून के भी बड़े ज्ञाता हैं। इसलिए उन्होंने जो यह संशोधन बिल यहां पेश किया है, उसमें ऐसे प्रवधान जरूर निकालें, वर्यो कि ये बहुत जरूरी हैं। मैं यह कहना चाहता हूँ कि कहीं ऐसा न हो जैसे हमारे यहां कहावत है कि - चोर के आगे ताता चला और बेईमान के आगे केचाला चला। ऐसे हथकंडों से बचने के लिए और इस कानून को प्रभावी बनाने के लिए जिला स्तर पर जो ऐसे स्कैम करने वाले हैं, उनकी सूचना सेबी को दी जाए या ऐसी एजेंसी को दें, जिससे तुरंत कार्रवाई हो सके और इसे रोक जा सके, ताकि लोगों का पैसा डूबने से बच सके।

SHRI P.P. CHAUDHARY (PALI): Mr. Chairman, Sir, thank you very much for affording me the opportunity to participate in this discussion.

First of all, I would like to point out the laudable Objects and Reasons of the Bill. It is very balanced. It has been brought with a view to protecting the interest of the investors in the securities market and at the same time promote the development of the securities and also with a view to giving teeth to SEBI to regulate the securities market and strengthen the regulatory provisions. With these laudable Objects and Reasons, this Bill has been brought before this august House.

Sir, I rise to support the Bill but would like to make certain suggestions regarding bringing in more amendments in the Bill with respect to certain clauses. The first one relates to Section 15 (i) of clause 16. The words used here are, 'the Board may call for and examine the record of any proceedings under this Section and if it considers that the order passed by the Adjudicating Officer is erroneous to the extent it is not in the interest of the securities market', I would like that the word, along with these words, 'in contravention of the provisions of this Act and regulation framed thereunder the Act' may also be inserted, otherwise it may lead to a variety of interpretations because it is provided that 'it is erroneous to the extent it is not in the interests of the securities market'. In case any such order is passed by the Adjudicating Authority which is in contravention of the provision of the Act and/or regulation, then the interpretation can be given that the SEBI is not the competent authority to look into the matter. So, I would like to request the hon. Finance Minister to look into this matter.

Secondly, with respect to the amendment of Section 15G of clause 12, it speaks about insider trading and it is very seriously viewed worldwide. Penalty has been imposed only three times on the profit made out of insider trading. I would like to submit that it should be made five times and not three times.

Apart from this, many safeguards have been provided in the Bill. As regards search and seizure, prior permission is required to be obtained from the designated court which is situated in Mumbai. Earlier, maximum penalty was prescribed for certain offences. Now, in this Bill, minimum penalty is prescribed. So, it will infuse confidence in the minds of the investors and thus, no fraud will be committed.

A provision has been made in the broad definition of CIS to cover those schemes and arrangements which have not been covered earlier. There was a suggestion made to the effect that the provision of Rs. 100 crore should be reduced because most of the affected people by Ponzy Scheme are living in the rural areas. So, my submission is, instead of Rs. 100 crore, the limit may be lowered.

As regards investigation and prosecution aspects of the Bill are concerned, safety measures have been taken. Besides this, a proper balance has been struck and proper provisions have been made in this Bill.

A fear has been expressed as to misuse of Power. There are enough safeguards in the Bill. Against the order of the adjudicating authority, the power of SEBI is there and against the order of SEBI, the Securities Appellate Tribunal is there. The Securities Appellate Tribunal can look into the matter with respect to civil and administrative issues. At the same time, to adjudicate criminal matters, a separate special court has been designated. Against that court, the power of revision and appeal are there before the High Court. So, there is no question of fear as to misuse of Power.

I may submit that this Bill is a laudable one and it is in the interest of the poor people who are residing in the rural areas.

SHRI E.T. MOHAMMAD BASHEER (PONNANI): Sir, I thank you very much for giving me this opportunity to participate in this discussion.

We are discussing a much awaited legislation which is significant and vital in the Indian situation. There have been three Ordinances issued in July, 2013, September, 2013 and 18th July, 2014. Almost all the provisions of the previous Ordinances have been incorporated in this legislation.

While discussing this Bill, we all know that Indian situation is a special one. India is becoming an international destination of investment. FDI, multinational companies and even domestic industries are coming in a big way. We all know that there are controversies about FDI in all kinds of institutions. In some cases, direct foreign investment is acting as direct foreign interference. We are hearing a lot of stories about frauds committed by corporates. Yesterday, while initiating the discussion, Shri Veerappa Moily was saying about vanishing companies, violation of Companies Act, stories of cheating, forgery, criminal conspiracy, artificial projection of financial stability, etc. There are scams like Sahara and Sharada. The former speaker was saying about it. It is our duty to curb all unhealthy practices and false play by institutions. We must ensure confidence in investors. It is our duty to ensure Clean Corporate Governance. Accountability, transparency and good corporate governance should be our motto. We should not give room for any kind of fraud or market manipulation. We should not allow such bad tendencies. Our policy, of course, should be liberal and at the same time we should not fall into the trap of any institution or individual or society.

Coming to this Bill, I would like to say that the SEBI can effectively interfere into the affairs of companies raising public fund illegally. This Bill proposes constitution of special courts for prosecution for offences under the securities laws. That is very essential because speedy disposal of cases is very much required during this period.

The SEBI would have powers to call information not only from the people or the entities but also from persons who may not be directly associated with it.

As per the Bill, magistrate or judge of the designated court would have jurisdiction to issue an order for the seizure of books, registers, and other documents. Previously, the SEBI could have interfered directly. But now as a safeguard, in this new legislation, prior permission from the judge or magistrate has been introduced. That is good. In this kind of legislation, such safeguards should be there.

Similarly, the SEBI can effectively interfere in illegal money pooling scheme involving Rs. 100 crore. That also is highly appreciable. The law ensures the service of any police officer or officer of the Central or State Government or both to assist the officer for all kinds of purposes specified in the law.

Similarly, the SEBI is now empowered to enhance the quantum of penalty imposed by the adjudicating officer. That also is really a progressive step. If there is any inconsistency in the adjudication, of course, that can be rectified through that.

Then, the process to recover the penalty imposed has been simplified and it is very effective now because of (a) attachment and sale of the persons' movable property; (b) attachment of the persons' bank account; (c) attachment and sale of the person's immovable property; and (d) arrest of the person and detention in the prison. All these provisions are there. That would simplify and expedite the action of recovery.

Generally speaking, this legislation would be a sharp and an effective tool for protecting the interest of investors in securities market and to make legitimate regulation of the same.

Towards the end, let me say one more thing. We all know about the history of our law making. The intention of all the laws are good and their content is also good. But as far as implementation part is concerned, it is having its own drawbacks and hardships. I hope that this legislation would be an effective tool in its implementation. Let the implementing process of this legislation be a success.

With these few words, I conclude.

SHRIMATI MEENAKSHI LEKHI (NEW DELHI): Mr. Chairman, Sir, a lot has already been spoken on the good points so far as the Amendment Act is concerned and why the Ordinance needs to be converted into an Act. I congratulate my Government to set the procedures right for any parliamentary practice. The Ordinance is definitely not the way unless it is emergent, but the way is to take the matter to Parliament and pass an enactment in the form of an Act.

Coming to this particular SEBI and SCR Amendment Act, the need for this was basically four-fold. Firstly, the investments had to be protected, which were going unmonitored; secondly, violators were having a happy time because they were not being challenged; thirdly, the need to strengthen the investigative and prosecutorial powers of the SEBI, which have been strengthened by this Amendment. The 2007 guideline for consent settlement was challenged before the Delhi High Court in 2012. The PIL challenged that the SEBI did not have the powers to enter into a consent settlement. So, those powers had to be brought upon the SEBI. The empowerment of the SEBI was again required for the agreement of exchange of information with foreign regulators. That is why these Amendments have been brought out.

My point is very simple. There is no provision in the Act to do away with the ponzi schemes or how the money needs to be spent for IPEF. There are advertisements in the newspapers and there are various other kinds of methods by which people are attracted to invest in such schemes and there is no regulation of that. So, it needs to be monitored to prevent any such scheme which can cheat people in future. There is no monitoring mechanism which the SEBI is following.

The second point is that when you give the limit of Rs.100 crore, let me bring on record that 45 per cent of our GDP is made by small retailers and small investors. Again, if you put the basic amount to be Rs.100 crore and above, the small investor does not get protection. So, this limit needs to be done away with.

Thirdly, the Budgetary allocations for enforcement needs to be made which the Act definitely is not providing for. Of course, we are exchanging information with foreign regulators. How will the foreign fraudsters be dealt with is not provided for in the Act.

IPEF has been discussed saying that the money which will be disgorged will be utilised for IPEF fund for empowering the investors. In what proportion that money needs to be spent is not being discussed. Under the Companies Act, the first right on any such seized amount lies with the investor. That right under the Companies Act is provided for. But a similar right under the SEBI and SCRA is not provided for. So, that needs to be corrected.

With these words, I only thank my Government for introducing this Securities Laws (Amendment) Bill.

श्री कौशलेन्द्र कुमार (नालंदा) : माननीय सभापति जी, सरकार 'सेबी' को अधिक अधिकार देने वाला विधेयक प्रतिभूति विधि संशोधन विधेयक 2014 लेकर आई है, इससे 'सेबी' को और अधिक अधिकार मिलेंगे, ऐसा सरकार का मानना है। विधेयक आने से पहले भी पूर्ववर्ती सरकार ने तीन बार इन सभी अधिकारों के लिए अध्यादेश लाकर 'सेबी' को सशक्त किया था लेकिन वह कानून की शक्त नहीं ले पाया जिसके कारण अब नयी सरकार इस बिल के माध्यम से कानून बनाने जा रही है। यह अच्छी बात है कि निवेशकों के हितों की सुरक्षा और प्रतिभूति बाजार के विकास के लिए यह कानून बनाया जा रहा है, जैसा बिल में है कि दोषियों के दस्तावेज ज़ब्त करने की कार्यवाही केन्द्र सरकार द्वारा अधिसूचित मुम्बई की अदालत के जज के आदेश पर ही हो पाएगी। इसमें विस्तार से चर्चा करने की जरूरत है क्योंकि सारे मामले एक ही अदालत के पास हों तो उस पर दबाव बढ़ जाता है और उसे ध्यान में रखना जरूरी है। अनाप-शनाप रिटर्न देने के वादे करके निवेशकों का धन जमा करवाया जाता है। इस पर भी पूरी तरह से लगाम लगाने की जरूरत है। गैर-कानूनी तरीके से चलाई जा रही योजनाओं पर भी ध्यान देने की जरूरत है। जो कंपनियां पंजीकृत नहीं हैं और योजनाएं चला रही हैं, गरीब को गलत सूचनाएं और अधिक धन देने की बात करके उनसे उनके पूरे जीवन की कमाई को छेड़ लिया जाता है और कुछ दिनों के बाद वे कंपनियां अपना ऑफिस और दुकान समेटकर वहां से चम्पत हो जाती हैं। ऐसी कंपनियों को पकड़ना काफी मुश्किल हो जाता है। निवेशक ठगे से रह जाते हैं और उनका पैसा डूब जाता है। सरकार को यह सुनिश्चित करना होगा कि निवेशकों का एक-एक रुपया जो उन्होंने अपनी मेहनत की कमाई से संचित किया है, वह पैसा डूबे नहीं बल्कि सुरक्षित रहे। पूरे देश में इस तरह की कंपनियां आए-दिन जन्म लेती रहती हैं और निवेशकों का पैसा लेकर रफू-चक्कर हो जाती हैं। इनका तरीका भी बहुत ही सरल और आसान होता है कि ये समाज के कुछ प्रतिष्ठित लोगों को अपना एजेंट बना लेती हैं और नये नये प्रलोभनों के द्वारा निवेशकों का दिल जीतकर पैसे की उगाही कर लेती हैं। जब तक निवेशक उनकी इन कारगुजारियों को समझ पाते हैं तब तक ये कंपनियां अपनी दुकान समेटकर वहां से नौ-दो-ग्यारह हो जाती हैं। इस विधेयक में खुदरा एवं छोटे निवेशकों को शेयर बाजार में शामिल करने के लिए कुछ खास उपाय नहीं हैं। उन्हें भी शामिल करने की जरूरत है क्योंकि खुदरा निवेशक छोटे निवेशक होते हैं, पेंशनधारी होते हैं। उन्हें भी बाजार की तरफ आकृष्ट करके उन्हें लाभ देने की जरूरत है। शिकायत निवारण के लिए 'सेबी' को सभी राज्यों के मुख्यालय एवं जिला मुख्यालय में एक तंत्र विकसित करने का उपाय भी करना चाहिए। इसका प्रावधान भी इस विधेयक में होना चाहिए। विधेयक में सेबी को पूर्णरूपेण स्वतंत्र निगरानी तंत्र विकसित करने की आवश्यकता होगी, ऐसा मेरा मानना है। क्योंकि अगर मॉनिटरिंग अच्छी हो तो किसी भी गलत तरह से चलाये जा रहे कारोबार पर नजर रखी जा सकती है। अतः सेबी द्वारा एक सशक्त निगरानी तंत्र बनाने की व्यवस्था हो।

SHRI ADHIR RANJAN CHOWDHURY (BAHARAMPUR): Sir, the Securities Laws (Amendment) Bill, 2014 further to amend the Securities and Exchange Board of India Act, 1992, the Securities Contracts Regulation Act, 1956 and the Repositories Act, 1996 is virtually an omnibus legislative document which consist of 57 clauses. Actually, the fact is that the Ordinance to empower the SEBI is the UPA's baby.

I am hailing from West Bengal, which is home of the largest number of chit fund companies in India; the highest concentration of chit funds companies in India. You will be astonished to note that under the patronage of successive State Governments in West Bengal, the chit funds have been able to flourish in their business. Even the present regime is opposing the CBI investigation by spending money from the State's Exchequer. They are simply burning the midnight oil only to prevent the thorough probe against the chit fund companies in West Bengal. *â€¦ (Interruptions)*

You will be astonished to note that Shyamal Sen Committee was constituted to recompensate those affected investors. But what happened? Again, the State Exchequer has been siphoned off and money has been spent from the State Exchequer to provide assistance to affected persons. That means, the fraudulent chit fund owners have been spared. This is the situation in West Bengal. And that is simply concerning us.

Due to constraint of time, I only want to draw the attention of the hon. Finance Minister to the fact that even after promulgation of Ordinance, even the SEBI's Chairman has stated that there is still a large number of unregulated chit fund and ponzi scheme owners, who are fleecing the poor investors till date. I don't know whether the Minister does have any account of unregulated chit fund owners in the country. *â€¦ (Interruptions)*

I would like to draw the attention that concerns various segments of our society. The SEBI has been given the power to define what constitutes CIS through regulations. This raises the question of excessive delegation of legislative powers...*(Interruptions)* I am a Member of Parliament. So, it is my duty and obligation to draw the attention of the Government – whoever may be at the helm of affairs. *â€¦ (Interruptions)* Because of the controversy, I would like to draw the attention to this.

Collective Investors Scheme (CIS), as defined under Section 11AA of the SEBI Act, 1992, is regulated by SEBI. Chit fund does not fall under the regulatory purview of SEBI as the same is specifically exempted under Section 11AA. Chit funds are classified as miscellaneous Non-Banking Financial Institutions under the Reserve Bank of India Act, 1934 and are governed by the Chit Fund Act, 1982 which is administered by the respective State Governments. The ponzi schemes are banned under the Prize Chits and Money Circulation Schemes (Banning) Act, 1978.

HON. CHAIRPERSON : Please conclude.

SHRI ADHIR RANJAN CHOWDHURY : As per the said Act, State Government is the enforcement agency to implement the provisions of the Act and take action against the defaulting entities. But they have not taken any action against any fraudulent chit fund owners because they were not serious against* those chit fund owners and their* by the donations made by those chit fund owners. *â€¦ (Interruptions)* That is why they are reluctant to take action against them.

HON. CHAIRPERSON : Your time is over. Please conclude now. I am calling the next speaker. Shri Nishikant Dubey.

SHRI SUDIP BANDYOPADHYAY (KOLKATA UTTAR): Mr. Chairman, Sir, wrong allegations have been made against the State Government whi`ch I strongly condemn. *â€¦ (Interruptions)* We totally deny them. *â€¦ (Interruptions)* All the allegations should be expunged. *â€¦ (Interruptions)*

HON. CHAIRPERSON : When the hon. Minister replies, he would deal with it. Please take your seat.

श्री निशिकान्त दुबे (गोड्डा) : सभापति महोदय, सबसे पहले मैं माननीय वित्त मंत्री जी को और हमारे प्रधान मंत्री जी को धन्यवाद देना चाहूंगा कि जिस तरह का हंगामा चल रहा है, उसमें ये इस तरह का बिल ले कर आए हैं, जो स्मॉल इंवेस्टर हैं, उनकी प्रोटेक्शन के लिए यह सरकार कितनी कमिटेड है, यह उसका सबसे बड़ा प्रमाण है, इसलिए माननीय प्रधान मंत्री जी और माननीय वित्त मंत्री जी दोनों बधाई के पात्र हैं।

जिस तरह से किरीट सोमैया जी ने बोला, वीरप्पा मोइली जी ने बोला, हमारे बड़े भाई राजीव प्रताप रूढ़ी साहब ने बोला और अहलुवालिया साहब ने बोला, सभी ने अपनी-अपनी बात रख दी है और उसका भावार्थ यह है कि यह जो बिल फण्ड है, यह कोई नया इतिहास नहीं है, जिस तरह से अहलुवालिया साहब संवेती की बात कर रहे थे, पियरलेस की बात कर रहे थे, अम्मी शारदा के बारे में सुदीप बंधोपाध्याय साहब और अधीर रंजन चौधरी साहब में लड़ाई हो रही थी, मेरा यह कहना है कि पश्चिम बंगाल ही इसका केंद्र बिंदु क्यों होता है? सबसे पहला सवाल यह है और अधीर साहब यह आपके लिए भी है, क्योंकि जब पियरलेस था, उस वक्त पश्चिम बंगाल में कांग्रेस की सरकार थी। *â€¦ (व्यवधान)* आपने सीपीएम के ऊपर ब्लेम किया, आपने टीएमसी के ऊपर ब्लेम किया, लेकिन बंगाल इसका केंद्र बिंदु क्यों है, यह सोचने वाली बात है। *â€¦ (व्यवधान)* क्योंकि तैत्तरीपनिषद् एक श्लोक है - "सर्वज्ञम विज्ञातः सर्वयोनिरुत मात्त्वभूः सर्वप्रभुर्निष्पेकस्त्वम्, सर्वरूपन्याक्" मतलब जितनी योनियां हैं, जितने जन्म हैं, कांग्रेस की सरकार होगी तो, टीएमसी की सरकार होगी तो, सीपीएम सरकार होगी तो, सभी का केंद्र बिंदु बंगाल है। यह देखने का सवाल है कि पियरलेस हो, संवेती हो, शारदा हो या रोजवैली हो, इस तरह के सारे जो संगठन हैं, वे बंगाल में ही क्यों होते हैं? बंगाल में होने के कारण वे उड़ीसा को लूटते हैं, बिहार को लूटते हैं, झारखण्ड को लूटते हैं, नार्थ-इस्ट को लूटते हैं, असम को लूटते हैं, छोटे-छोटे इंवेस्टर को लूटते हैं। उसके बाद इस तरह के कानूनों की आवश्यकता पड़ी। आवश्यकता में आज जिस तरह से वेल में युवराज साहब आए, उसका कारण क्या है? उसका कारण यह है कि यह सरकार काम करना चाह रही है। सेबी बिल आ गया है। *â€¦ (व्यवधान)* इस तरह की जो पॉलिसी पैसलाइसिस *â€¦ (व्यवधान)* बहुत बढ़िया हुआ कि कम से कम हमने उनको वेल में आना सिखा दिया। *â€¦ (व्यवधान)* पांचवी पीढ़ी के बाद वे वेल में आ गए, हम लोगों ने उनको वेल में आना सिखा दिया, यह सबसे बड़ी बात हो गई। *â€¦ (व्यवधान)* सभापति महोदय, मैं यह कह रहा हूँ कि इस तरह के बिल लाने की आवश्यकता क्यों पड़ी? बिल लाने की आवश्यकता इसलिए पड़ी, हमारे पास ये दो ऑर्डर हैं, एक शारदा के बारे में है और एक रोजवैली के बारे में है।

17.00 hrs

शारदा और रोज वैली के बारे में सेबी ने वर्ष 2010 में ऑर्डर दिया और वर्ष 2010 से लेकर वर्ष 2012-13 तक जब इसके ऊपर कोई एक्शन नहीं हुआ तो सेबी को यह पॉवर देने की आवश्यकता पड़ी और जो पॉलिसी पैसलाइसिस है, पॉलिसी पैसलाइसिस का जो कारण नजर आ रहा है, अहलुवालिया साहब हर्षद मेहता स्कैम की ज्वाइंट पार्लियामेंट्री कमेटी के मेंबर रहे, उसके बाद केतन पारिख

कमेटी के मेंबर रहे। कैपिटल मार्केट के बारे में उन्होंने जो रिकमेंडेशन दीं, सरकार ने पिछले दस-बारह सालों से वे लागू नहीं कीं। वह रिकमेंडेशन थी, एक तो उन्होंने स्कैम के बारे में कहा था, जो उनकी दूसरे नंबर की रिकमेंडेशन थी कि स्कैम के बारे में आप कुछ सोचिए। उनकी आठवें नंबर की रिकमेंडेशन थी कि लिक्विडिजेशन हो रहा है, उसमें आरबीआई को क्या पॉवर देनी है, सेबी को क्या पॉवर देनी है, उसके बारे में सोचिए। दस साल से कोई भी एक्शन सरकार ने नहीं लिया। नौवां नंबर था कि जो मिनिस्ट्री ऑफ फाइनेंस हैं, उसने जो वर्ष 1994 की हर्षद मेहता की एक्शन टेकन रिपोर्ट दी, वह लागू नहीं हुई, इसको कैसे इंप्लीमेंट करिएगा? उनका बीसवां नंबर रिकमेंडेशन थी कि जो ड्रॉल कंट्रोल है, रजिस्ट्रार ऑफ कोऑपरेटिव, अभी मेरे मित्र उदासी साहब बोल रहे थे कि कोऑपरेटिव एक बहुत बड़ा ईश्यू होने वाला है, आरबीआई और रजिस्ट्रार ऑफ कोऑपरेटिव का, आरओसी का जो अलग-अलग डिपार्टमेंट ऑफ कंपनी अफेयर्स का जो जूरिस्टिक्शन है, वह एक-दूसरे से वलैश कर रहा है, इसके बारे में एक वलैरिटी होनी चाहिए, इसके बारे में कोई एक्शन नहीं हुआ। उसके बाद उसने कहा कि सेबी को जो पॉवर देनी चाहिए, वह पॉवर आप उसे नहीं दे रहे हैं। उन्होंने कहा कि आप सेबी को specific power of investigation दीजिए।

17.01hrs (Dr. M. Thambidurai in the Chair)

अहलुवालिया साहब, यह आपकी कमेटी की रिपोर्ट है। उन्होंने कहा कि power to impound/retain documents pending investigations. तीसरा, उन्होंने कहा कि power to obtain information from the banks, from authorities, from legal entities like corporates, promoters; power to tender immunity from action for making disclosures of facts and power to obtain information about the source of fund.

ये सब आपने रिकमेंडेशन की और दस साल में इसके ऊपर कोई कार्रवाई नहीं हुई। जब दस साल में कोई कार्रवाई नहीं हुई, तो इस तरह की जो पॉजी स्कीम की कंपनियां हैं, क्योंकि इसी तरह से स्टैंडिंग कमेटी की रिपोर्ट आती है, इसी तरह से जेपीसी की रिपोर्ट आती है और वह ठंडे बस्ते में डाल दी जाती है, जिसका यह प्रमाण है।

सभापति जी, मैं कुछ सजेसन देना चाहूंगा। सजेसन यह है कि साठ एक्ट हैं, जो इंप्लीमेंट नहीं हो रहे हैं। यदि इंप्लीमेंट नहीं हो रहे हैं तो वर्ष 2020 तक 15 ट्रिलियन का यह मार्केट होने वाला है, इस मार्केट के लिए आपको लॉग टर्म व्यूज लेने होंगे। वित्त मंत्री जी, यदि आप कानून बनाने के लिए आगे आए हैं, आपने बहुत बढ़िया कदम उठाया है और प्रधानमंत्री जी हमेशा चाहते हैं कि छोटे-छोटे स्मॉल इन्वेस्टर्स का प्रोटेक्शन हो, कंज्यूमर प्रोटेक्शन हो, जो 15 ट्रिलियन का मार्केट होने वाला है, उसके लिए इस देश को तैयार करने की बात है।

फिर फाइनेंशियल इन्वेलूज की बात आती है, जिसके लिए आपने कहा कि प्रत्येक घर में दो बैंक एकाउंट होंगे और उनकी लिटेसी होगी तो फाइनेंशियल इन्वेलूज का जो आपका रोड मैप है, वह जितनी जल्दी पूरा होगा, उतनी जल्दी पॉजी स्कीमस खत्म होंगी। तीसरा है, फाइनेंशियल ग्लोबलाइजेशन ए लेसन फॉर दी क्राइसिस। वर्ष 2008 में जो क्राइसिस हुआ, उसमें फाइनेंशियल इन्वेलूज में पूरे देश, पूरी दुनिया में जो माहौल चल रहा है, उसके लिए हमारे पास कौन सी अर्थोपेक्टिव है जो कि यह तैयार करेगी। उसके बाद जो रेग्युलेटरी फ्रेमवर्क है, जैसे रूढ़ी साहब यू.एस. की बात कर रहे थे, यू.के. में बहुत अच्छा फ्रेमवर्क है, कनाडा में बहुत अच्छा फ्रेमवर्क है और हमारे यहां वह सवसेसफुल नहीं हो रहा है। इसके बारे में आपको बात करनी चाहिए।

सभापति महोदय, एक मैंने देखा कि रेड्रोस्पेक्टिव अमेंडमेंट है, तो मैंने उसकी 6 मार्च 1998 एक डेट दी हुई है, आपने अमेरिका के साथ जो एग्रीमेंट साइन किया है, उसे आप तीगलाइज करने वाले हैं, इसके लिए हारमोनियस लॉज की आवश्यकता है। मैं यह कह रहा हूँ कि अभी तक जो आप पॉवर दे रहे हैं सेबी को, वेयरमैन साहब, आप खुद फाइनेंस कमेटी के मेंबर रहे हैं, एक भी सीआईएस, जिस दिन से यह सीआईएस स्कीम रजिस्ट्रेशन की बात आयी है, केवल एक सीआईएस पिछले 15 साल में रजिस्ट्रार हुई है। क्या ऐसा कारण है कि सीआईएस अपने आपको रजिस्ट्रार नहीं करा पा रहा है? इसके अलावा हमारे यहां जो इतने रेग्युलेटर हैं, मैं यह बात कह रहा हूँ कि आरबीआई को आप पॉवर दीजिए, इसमें क्या है कि ज्यादा जो भी मठ उजाड़ वाली बात हो गयी है। अब स्थितियां ये आ गयी हैं क्योंकि ये जो ब्यूरोक्रेट को आप पोस्ट देते हैं, इंडा के तौर पर, पेंशन फंड के तौर पर, एफएमसी के तौर पर, जिम्नेश शाह का इतना बड़ा एमसीएस का स्कैम हो चुका है तो इसमें यूनिफाइड फाइनेंशियल रेग्युलेटर की आवश्यकता है। आपको सोचने की आवश्यकता है कि आरबीआई का फंक्शन क्या होगा, यूनिफाइड फाइनेंशियल रेग्युलेटर की आवश्यकता है या नहीं है, इसके बाद जो सैट है, उसके लिए एक कॉमन सैट, एफ सैट की आवश्यकता है। इसके अलावा एफआरए आपको बनाना चाहिए, पीडीएमए बनाना चाहिए और एफएसडीसी, फाइनेंशियल स्टैटयुटी एजेंसी जो है, जो मोडिफाइड फंक्शन कर रही है, इसकी आवश्यकता है।

इसके अलावा जो श्रीकृष्णा कमेटी के रिकमेंडेशन हैं जिसके आधार पर यह बिल आया है, उसमें से चार-पाँच जो हैं - पब्लिक डैट एक्ट 1944, गवर्नमेंट सिक्कुरिटीज़ एक्ट 2006, रिज़र्व बैंक एक्ट 1934, इश्योरेंस एक्ट 1938, बैंकिंग रेगुलेशन एक्ट 1950, पेमेण्ट सैटलमेंट सिस्टम 2007 और जो स्टेट बैंक का 1955 और लाइफ इश्योरेंस का 1956 का एक्ट है, ये सब यदि वेनज करेंगे तो मुझे लगता है कि आम जनता में इसका संदेश जाएगा, फायदा होगा और हम जो ग्लोबलाइज्ड वर्ल्ड की ओर बढ़ रहे हैं, उसमें यह देश विश्व-गुरु होगा, हम नंबर वन इकोनॉमी होंगे, अमेरिका से भी बड़े होंगे। इन्हीं शब्दों के साथ जय हिन्द, जय भारत।

SHRI N.K. PREMACHANDRAN (KOLLAM): Sir, I rise to support this Securities Laws (Amendment) Bill, 2014.

Yesterday, I heard the speech of Shri Kirit Somaiya. It was an emotional but valid and touching speech. He had cited that Rs. 1 lakh crore is being stuck in Ponzi companies. Now, this question is before this House. This thing, which is going on in our country, in our stock market and in the capital market, itself goes to show that SEBI is not working in a proper way. That is my first contention which I would like to make.

SEBI was established by an Act of Parliament. Its sole purpose is to protect the interest of investors and depositors of our country and to develop the capital market in a proper way. That means SEBI has to act as a watchdog of the capital market. But the capital market is always volatile and fluctuating. Fluctuation always depends on the speculation and that is why it is being described as a speculative market. In such a speculative market, are we able to protect the interests of the depositors and investors? That is a question to be discussed separately.

After globalization, the capital market is having a significant role in the economic development. Keeping in view the new economic scenario, I do admit it. But again I would like to say whether SEBI is able to address the issues which are before it. Sir, because of the paucity of time, I am not going into the details. We know that in 1992-93 there was the Security Scam by Harshad Mehta. In 1995, there was the Bhansali Scam. In 2001, there was the Ketan Parekh Scam. In 2009, there was the Satyam Scam. Recently, there is this Saradha Chit Fund Scam in Kolkata. Innocent investors are being looted and cheated by these Ponzi and other fake companies. In my State, there is a scheme called 'Goat-Teak-Mangium' Scheme. If we invest one rupee in the market, we will get Rs. 134 within three years from the date of deposit. That is the way by which poor investors are being looted. I am not going into the details of Joint Parliamentary Committee Reports of 1996 or 2001. I would like to know from the hon. Minister whether any recommendation of the JPCs has been implemented. My learned friend from the other side has just now mentioned about

it.

Sir, in this respect, I would like to suggest to the Government that let us have an in-depth introspection in respect of stock market. An expert committee, consisting of financial experts, has to be constituted to look into the entire aspect in-depth. I am fully supporting the amendments proposed by the hon. Minister regarding access to information, search and seizure and attachment of property. The Government has given quasi-judicial powers to SEBI. It means, it can attach moveable and immovable properties and freeze bank accounts. It can also arrest and appoint receivers.

In that case, the Government has to ensure that those who are doing good business in the capital market – there are a lot of people who are doing good business in the market – should not be harassed on this empowerment of quasi-judicial job which is being entrusted with SEBI.

Sir, I would also like to make one more point. Who will regulate the regulators? This point has also to be discussed because we know that many regulators are there. In the telecom sector, TRAI is there; we have the Insurance Regulatory Development Authority; and here, we are having the Securities and Exchange Board of India. These regulators are having many powers. In spite of these regulators, all these scams are taking place in our country. That means, the regulatory mechanism in our country is not proper.

Definitely these amendments will give some teeth to SEBI. So, I support this Bill. I would also like to urge upon the Government to have an expert committee to look into the aspects in whole, in depth so that this issue can be rectified *in toto*.

With these words, I conclude.

THE MINISTER OF FINANCE, MINISTER OF CORPORATE AFFAIRS AND MINISTER OF DEFENCE (SHRI ARUN JAITLEY): Sir, I am extremely grateful to a very large number of hon. Members who have spoken on the Securities Laws (Amendment) Bill, which seeks to amend identically three pieces of legislation.

Most of the Members who have spoken have supported the amendments. These amendments were originally brought by way of an Ordinance by the UPA Government. As this matter could not be taken up earlier in this House, the Ordinance had already lapsed on the 18th of July. After this Bill is passed by the other House, it will be our endeavour, immediately in the course of the next few days, to make sure that all these three amendments to three different legislations come into existence because we are passing through a hiatus period, because the House is in Session the Ordinance could not have been extended.

Capital is the lifeline of all business. If there is no capital, there will be no business, there will be no investment. The process of mobilizing capital from the market is also a process by which individual savings through different instruments take the shape of collective investment. This investment can be used by banks, by corporates, by bonds, by other instruments, and that really is the object of translating these savings into investments so that they can be used for a larger purpose. But then the reality also is that where there is money, there are bound to be some sharks. Therefore, these are going to be those people who smell an opportunity for fraudulent activity, and you will have stray cases for which a strong regulatory mechanism is required.

The last speaker has just now asked as to when you have a strong regulatory mechanism, who is going to regulate the regulators. I do not think that there is an easy answer to this. We have created the regulatory mechanism in this country in several fields. One of the reasons behind creating the regulatory mechanism is that when the economy, instead of being a regulated economy, is an economy which leans in favour of the market, there are bound to be aberrations which emerge out of the market. Therefore, if you have an insurance sector, where you have private sector insurance, tariffs have to be fixed; spot tariffs have to be fixed. In Telecom, various arrangements including fixation of tariffs have to be made.

Originally, the Government performed most of these functions. Then, the Government, either directly or through its public sectors, is also a participant in business. So, in Telecom, you have the BSNL and the MTNL, and you have the private companies. So, Government cannot be a competitor and Government cannot be a rule-making agency. That is precisely the reason, where a market which is regulated by market forces, to ensure that the regulation takes place in an appropriate manner, we have created this instrumentality of regulators over the last two decades.

It is an early experience. It is an experience by which some of the regulators are working well. In increasing number of fields, we have the agencies of regulators.

The Competition Commission of India is a regulator; the IRDA is a regulator; and the TRAI is also a regulator. Similarly, as far as the markets are concerned where investments are involved, it is the SEBI, which has the functions of a regulator. Regulators are not regulated by anyone. If you are dissatisfied with the functioning of a regulator, you have an internal appeal mechanism, which is created. So, an appeal against the order of the SEBI can go to the Securities Appellate Tribunal. Similarly, in other regulators also, we have created Appellate Tribunals. These Appellate Tribunals are normally headed by a Judge. They also comprise experts in that field. But if you are still not satisfied with the order of the Appellate Tribunal, then the remedy of judicial review before the courts is always available. Therefore, the question is not as to who regulates the regulators. If the regulators go wrong, there has to be a review mechanism, which has been provided in most of these legislations themselves.

Sir, Members have spoken in terms of a large number of some fraudulent schemes, which come up. In fact Shri Rajiv Pratap Rudy gave a list of those schemes. Dr. Kirit Somaiya also gave a list of those schemes. Very curious and interesting illustrations of those schemes were also given. We have been all referring to them as the Ponzi schemes. So, Mr. Ponzi has become a famous man. These schemes are called Ponzi schemes because they are named after one Mr. Ponzi who played fraud on the entire market system; and therefore, all such fraudulent schemes are named after him and the world over are referred to as Ponzi schemes itself.

This Bill is really an attempt to empower the SEBI because as our experience grows, our experience tells us that those who violate the law may be cleverer than the law itself. Therefore, the law has to empower its agencies to deal with such people.

Originally, we were only calling for information from banks, financial institutions and other relevant persons. Today, information may be in some

private agency or private organisation. Therefore, information is required to be called from everybody. Information may be available outside the country. Therefore, you may need to share information.

A question was raised by Dr. Kirit Somaiya that you fix Rs. 100 crore limit. Supposing, he splits his scheme into parts, and each part is less than Rs. 100 crore. Therefore, can he fraud the market itself? That is the experience, which has shown us the way. Therefore, in the current amendments, if you see the proviso to Section 11 AA, the words used are 'scheme or arrangement'. So, the word 'arrangement' is wide enough to include the kind of examples, which you have in mind.

Another issue, which was raised was that 'why do you give a discretion with regard to the quantum of penalties?' The discretion with regard to the quantum of punishment rather than slabs is contained in almost all laws. A law will say that punishment can be up to 'X' amount of years or a penalty can be up to so much amount. Then it is the agency of the instrument that you create – whether it is a court or a quasi-judicial body – actually determines how much is to be given. This is to be determined on the basis of proportionality by the authority, which is exercising the power. Therefore, when we create such instruments, we put eminently trained people in such institutions to see how much is the offence. The punishment must have correlation or nexus to the quantum of offence.

That is the relationship between crime and punishment. That is the relationship between violation and punishment. Therefore, if it is a very technical minor violation, he may impose a penalty which is at a lower figure and if it is at a wholesale fraudulent activity, he may probably go up to the maximum penalty. That is the principle which regulators world over follow.

I also mentioned in my opening comments that large powers of search have been given to the SEBI but these powers may not be misused. Therefore, a check and balance has been introduced that the SEBI before it gets its order of search has to go before a court itself.

The Members made reference to other market offences like insider trading. These offences are there in the capital market world over and, therefore, globally, as far as the laws are concerned, in various parts of the world they are extremely stringent. If this menace increases, then perhaps, even deterrent punishments are going to be there. For instance, in economies like the United States where these offences do take place, the punishments are almost exemplary. People spend a very large part of their lifetime in prison if they are guilty of offences of insider trading itself and these are offences which are not alien to the stock market. You are a company. You are the person who decides the rules. You are privy to the inside information. You act in tandem either yourself or with somebody else and make this information available to him. He is aware of the information which other market players are not aware of and he tries to unfairly profit out of that information.

A question was raised with regard to the Investor Protection and Education Fund itself. Now the Investor Protection and Education Fund (IPEF) is a separate fund. The IPEF, under the Companies Act, is a separate fund and under the SEBI Act, by the same name there is a separate fund. Therefore, the two funds should not be confused. In the Companies Fund, it is those unclaimed dividends and monies, which are not taken for a period of seven years, which go into the Investor Protection Fund and that fund is separately maintained and used for a different purpose. Some Rs.830 odd crore has been collected under that fund. Under the SEBI Fund during the period that this Ordinance was in operation, we have collected an amount of Rs.30 crore separately. In the SEBI law, this fund is created by the disgorgement, that is, whoever has earned out of foul means cannot retain the profits of that crime in his own pocket. The profits of the crime do not go to the man who violates the law. That money is going to come into the Investor Protection and Education Fund itself.

A question was raised with regard to the vanishing companies. There are 78 vanishing companies which had just disappeared. FIRs have been filed and prosecutions have started in those cases where the investments or the investors themselves have suffered.

One of the last speakers referred to the need to expand financial inclusion in this country so that people have better avenues of investment rather than be tempted by these attractive schemes. I think the hon. Member is absolutely right in this regard. Our banking system, which is still one of the most reliable forms of investment and our saving is being deposited therein, has a certain amount of reach. This reach, as of today, extends to about 58.7 per cent of our population. We still have a long journey to go and since the banking system in India works on conventional and conservative wisdom, a certain amount of interest is given. One of the essences behind these schemes or arrangements is that they promise a return which is a little more attractive and, therefore, they attract gullible investors by showing them a new green passage that they can walk on. But ultimately, it is these people who become victims of some of these schemes itself. Our Government is taking up an extensively large scheme of expanding financial inclusion in this country. The Prime Minister, in the course of the next two days, is likely to announce that scheme.

Once banking expands in this country to cover as many people as possible, we intend reaching at least two more account holders in seven and a half crore families. That is our object of financial inclusion. If we are able to reach such a large section of population, the need for people to be attracted by such Ponzi schemes will go down in the system itself.

I am extremely grateful to the Members, who have participated in this discussion. With these few observations, I commend this Bill to this hon. House for acceptance and passage.

HON. CHAIRPERSON : I shall now put the motion for consideration of the Securities Laws (Amendment) Bill, 2014 to the vote of the House.

The question is:

"That the Bill further to amend the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act, 1956 and the Depositories Act, 1996 be taken into consideration."

The motion was adopted.

HON. CHAIRPERSON: The House shall now take up clause by clause consideration of the Bill.

Clause 2 Amendment of Section 11

DR. A. SAMPATH (ATTINGAL): Sir, I beg to move:

Page 2, line 9,-

"after"under any Central or State Act"

insert "or any agency or firm to whom any of the functions were outsources". (1)

Page 2, line 30,-

"after"under this Act"

add "with emphasis on prompt payment of compensation to investors in cases of fraud". (2)

HON. CHAIRPERSON: I shall now put Amendment Nos.1 and 2 moved by Dr. A. Sampath to the vote of the House.

The amendment were put and negatived.

HON. CHAIRPERSON: The question is:

"That clause 2 stand part of the Bill."

The motion was adopted.

Clause 2 was added to the Bill.

Clause 3 Amendment of Section 11 AA

DR. A. SAMPATH : Sir, I beg to move:

Page 2, line 38,-

for "one hundred crore"

substitute "ten crore". (3)

HON. CHAIRPERSON: I shall now put Amendment No. 3 moved by Dr. A. Sampath to the vote of the House.

The amendment was put and negatived.

HON. CHAIRPERSON: The question is:

"That clause 3 stand part of the Bill."

The motion was adopted.

Clause 3 was added to the Bill.

Clauses 4 and 5 were added to the Bill.

Clause 6 Amendment of Section 15 A

DR. A. SAMPATH : Sir, I beg to move:

Page 3, line 30,-

for "one crore"

substitute "ten crore". (4)

HON. CHAIRPERSON: I shall now put Amendment No.4 moved by Dr. A. Sampath to the vote of the House.

The amendment was put and negatived.

HON. CHAIRPERSON: 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 19 were added to the Bill.

**Clause 20 Insertion of new Section 26 A,
26 B, 26 C, 26 D and 26 E**

DR. A. SAMPATH : Sir, I beg to move:

Page 5, after line 22, insert,-

"Provided that the first such special court in every State shall be established or designated in the Capital of that State." (5)

HON. CHAIRPERSON: I shall now put Amendment No.5 moved by Dr. A. Sampath to the vote of the House.

The amendment was put and negatived.

HON. CHAIRPERSON: The question is:

"That clause 20 stand part of the Bill."

The motion was adopted.

Clause 20 was added to the Bill.

Clauses 21 to 24 were added to the Bill.

Clause 25 Amendment of Section 23 A

DR. A. SAMPATH : Sir, I beg to move:

Page 8, lines 4 and 5, -

for "one crore"

substitute "ten crore". (6)

HON. CHAIRPERSON: I shall now put Amendment No.6 moved by Dr. A. Sampath to the vote of the House.

The amendment was put and negatived.

HON. CHAIRPERSON: The question is:

"That clause 25 stand part of the Bill."

The motion was adopted.

Clause 25 was added to the Bill.

Clause 26 Amendment of Section 23 B

DR. A. SAMPATH : Sir, I beg to move:

Page 8, line 9, -

for "one crore"

substitute "ten crore". (7)

HON. CHAIRPERSON: I shall now put Amendment No.7 moved by Dr. A. Sampath to the vote of the House.

The amendment was put and negatived.

HON. CHAIRPERSON: The question is:

"That clause 26 stand part of the Bill."

The motion was adopted.

Clause 26 was added to the Bill.

Clause 27 Amendment of Section 23 C

DR. A. SAMPATH : Sir, I beg to move:

Page 8, line 14, -

for "one crore"

substitute "ten crore". (8)

HON. CHAIRPERSON: I shall now put Amendment No.8 moved by Dr. A. Sampath to the vote of the House.

The amendment was put and negatived.

HON. CHAIRPERSON: The question is:

"That clause 27 stand part of the Bill."

The motion was adopted.

Clause 27 was added to the Bill.

Clause 28 Amendment of Section 23 D

DR. A. SAMPATH : Sir, I beg to move:

Page 8, line 18, -

for "one crore"

substitute "ten crore". (9)

HON. CHAIRPERSON: I shall now put Amendment No.9 moved by Dr. A. Sampath to the vote of the House.

The amendment was put and negatived.

HON. CHAIRPERSON: The question is:

"That clause 28 stand part of the Bill."

The motion was adopted.

Clause 28 was added to the Bill.

Clauses 29 to 31 were added to the Bill.

Clause 32 Amendment of Section 23 H

DR. A. SAMPATH : Sir, I beg to move:

Page 8, line 30, -

for "one crore"

substitute "ten crore". (10)

HON. CHAIRPERSON: I shall now put Amendment No.10 moved by Dr. A. Sampath to the vote of the House.

The amendment was put and negatived.

HON. CHAIRPERSON: The question is:

"That clause 32 stand part of the Bill."

The motion was adopted.

Clause 32 was added to the Bill.

Clauses 33 to 41 were added to the Bill.

Clause 42 Amendment of Section 19 A

DR. A. SAMPATH : I beg to move:

Page 11, line 33,--
for "one crore",
substitute "ten crore." (11)

HON. CHAIRPERSON : I shall now put Amendment No. 11 moved by Dr. A. Sampath to the vote of the House.

The amendment was put and negatived.

HON. CHAIRPERSON: The question is:

"That clause 42 stand part of the Bill."

The motion was adopted.

Clause 42 was added to the Bill.

Clause 43 Amendment of Section 19 B

DR. A. SAMPATH : I beg to move:

Page 11, line 37,--
for "one crore",
substitute "ten crore." (12)

HON. CHAIRPERSON: I shall now put Amendment No. 12 moved by Dr. A. Sampath to the vote of the House.

The amendment was put and negatived.

HON. CHAIRPERSON: The question is:

"That clause 43 stand part of the Bill."

The motion was adopted.

Clause 43 was added to the Bill.

Clause 44 Amendment of Section 19C

DR. A. SAMPATH : I beg to move:

Page 11, line 42,--
for "one crore",
substitute "ten crore." (13)

HON. CHAIRPERSON: I shall now put Amendment No. 13 moved by Dr. A. Sampath to the vote of the House.

The amendment was put and negatived.

HON. CHAIRPERSON: The question is:

"That clause 44 stand part of the Bill."

The motion was adopted.

Clause 44 was added to the Bill.

Clause 45 Amendment of Section 19 D

DR. A. SAMPATH : I beg to move:

Page 11, line 47,--
for "one crore",
substitute "ten crore." (14)

HON. CHAIRPERSON: I shall now put Amendment No. 14 moved by Dr. A. Sampath to the vote of the House.

The amendment was put and negatived.

HON. CHAIRPERSON: The question is:

"That clause 45 stand part of the Bill."

The motion was adopted.

Clause 45 was added to the Bill.

Clause 46 Amendment of Section 19 E

DR. A. SAMPATH: I beg to move:

Page 11, line 52,--
for "one crore",
substitute "ten crore." (15)

HON. CHAIRPERSON: I shall now put Amendment No. 15 moved by Dr. A. Sampath to the vote of the House.

The amendment was put and negatived.

HON. CHAIRPERSON: The question is:

"That clause 46 stand part of the Bill."

The motion was adopted.

Clause 46 was added to the Bill.

Clause 47 Amendment of Section 19 F

DR. A. SAMPATH : I beg to move:

Page 12, line 4,--
for "one crore",
substitute "ten crore." (16)

HON. CHAIRPERSON: I shall now put Amendment No. 16 moved by Dr. A. Sampath to the vote of the House.

The amendment was put and negatived.

HON. CHAIRPERSON: The question is:
"That clause 47 stand part of the Bill."

The motion was adopted.
Clause 47 was added to the Bill.

Clause 48 Amendment of Section 19 G

DR. A. SAMPATH : I beg to move:
Page 12, line 8,--
for "one crore",
substitute "ten crore." (17)

HON. CHAIRPERSON: I shall now put Amendment No. 17 moved by Dr. A. Sampath to the vote of the House.
The amendment was put and negatived.

HON. CHAIRPERSON: The question is:
"That clause 48 stand part of the Bill."

The motion was adopted.
Clause 48 was added to the Bill.
Clauses 49 to 57 were added to the Bill.
Clause 1, the Enacting Formula and the Long Title were added to the Bill.

HON. CHAIRPERSON: The hon. Minister may now move that the Bill be passed.
SHRI ARUN JAITLEY : I beg to move :

"That the Bill be passed."
HON. CHAIRPERSON: The question is:
"That the Bill be passed."

The motion was adopted.