

Sixteenth Lok Sabha

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Title: Motion regarding reference of Financial Resolution and Deposit Insurance Bill, 2017 to Joint Committee.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF CORPORATE AFFAIRS (SHRI ARJUN RAM MEGHWAL): On behalf of Shri Arun Jaitley, hon. Minister of Finance, I beg to move:

“That the Bill to provide for the resolution of certain categories of financial service providers in distress; the deposit insurance to consumers of certain categories of financial services; designation of systemically important financial institution; and establishment of a Resolution Corporation for protection of consumers of specified service providers and of public funds for ensuring the stability and resilience of the financial system and for matters connected therewith or incidental thereto, be referred to a Joint Committee of the Houses consisting of 30 members, 20 from this House, namely:

1. Dr. Kirit Somaiya
2. Shri Gopal Chinayya Shetty
3. Shri Subhash Chandra Baheria
4. Shri Nishikant Dubey
5. Shri Shivkumar C. Udasi
6. Shri Anil Shirole
7. Shri Abhishek Singh
8. Shri Gajendra Singh Shekhawat
9. Shri Sanjay Jaiswal
10. Shri Jagdambika Pal
11. Shri Jayadev Galla
12. Shri Gajanan Chandrakant Kirtikar
13. Shri Chirag Paswan
14. Shri Gaurav Gogoi
15. Shri S.P. Muddahanumegowda
16. Dr. P. Venugopal
17. Prof. Saugata Roy
18. Shri Bhartruhari Mahtab
19. Shri Konda Vishweshwar Reddy
20. Shri P. Karunakaran

and 10 members from Rajya Sabha;

that in order to constitute a sitting of the Joint Committee, the quorum shall be one-third of the total number of members of the Joint Committee;

that the Committee shall make a report to this House by the last day of the first week of the next Session;

that in other respects the Rules of Procedure of this House relating to Parliamentary Committees shall apply with such variations and modifications as the Speaker may make; and

that this House do recommend to Rajya Sabha that Rajya Sabha do join the said Joint Committee and communicate to this House the names of 10 members to be appointed by Rajya Sabha to the Joint Committee.”

HON. DEPUTY SPEAKER: Motion moved:

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DR. A. SAMPATH (ATTINGAL): Why has no woman member been inducted in this Committee? ...
(*Interruptions*)

SHRIMATI P.K. SHREEMATHI TEACHER (KANNUR): There is no woman member even from the ruling party. ... (*Interruptions*)

HON. DEPUTY SPEAKER: Shri Bhartruhari Mahtab, please speak.

SHRI BHARTRUHARI MAHTAB (CUTTACK): Hon. Deputy Speaker Sir, I have no objection to the introduction of this Bill as it was approved by the hon. Speaker in the Supplementary List of Business. But I object to the reference that has been made for formation of a Joint Committee and this is in sub-section C of this Supplementary List of Business which clearly states that it is to be taken up in case the Bill at Serial No. B is introduced. Therefore, I rise here to object to the formation of a Joint Parliamentary Committee. You have a Joint Parliamentary Committee where the matter is very urgent, where there is some dissension between this House and the other House. When there is no consensus within the Parliament, you try to frame unanimity among various political parties so that you have a Joint Parliamentary Committee. The greater point is that the Bill will be brought for discussion and passing in both the Houses and the hidden agenda is that it will not get blocked in the Rajya Sabha. I would like to know what the agenda of the Government is. We have a Standing Committee on Finance which is empowered to go into this Bill and which is an all-party committee comprising members from Bhartiya Janta Party, Shiv Sena, Congress and other political parties. They will deliberate on that subject threadbare, clause by clause. Subsequently, after the report has come to the House, Parliament will deliberate as per the agenda that will be fixed. But I am still in doubt why there is apprehension in the Government that it may get blocked in Rajya Sabha. This is a very important Bill and it needs elaborate discussion and deliberation in the Committee on Finance. This Committee system is actually being relegated to the background by repeatedly forming Joint Parliamentary Committees. A Joint Parliamentary Committee is for an exigency. At a certain time, or at a certain point of difficulty, a Joint Parliamentary Committee is formed. It is not a practice but in this Government, during the last two years if not three years, we find that on any issue where there is an apprehension that certain Bills

would get blocked in Rajya Sabha or get delayed in Rajya Sabha, a Select Committee is formed in the Rajya Sabha or a Joint Parliamentary Committee. Therefore, I would like to be educated by the hon. Minister about the necessity for having a Joint Parliamentary Committee.

The Finance Committee is there. Why do you not have faith on the Finance Committee? It seems that you do not have that much of confidence on the Standing Committee on Finance and so you are insisting for a Joint Parliamentary Committee. It is a different matter that Prof. Saugata Roy is a Member of the Finance Committee and also a Member of this JPC; Shri Nishikant Dubey is a Member of the Finance Committee and also a Member of this JPC; Dr. Kirit Somaiya is Member of the Finance Committee and also a Member of this JPC.

Leaving aside that, why do you have a JPC and why not the Standing Committee on Finance? This needs to be clarified.

PROF. SAUGATA ROY (DUM DUM): The rule, as far as the motions after introduction of Bills and scope of debate are concerned, is quite clear. Rule 74 states:

“When a Bill is introduced or on some subsequent occasion, the member in charge may make one of the following motions in regard to one’s own Bill, namely:—

- (i) that it be taken into consideration; or
- (ii) that it be referred to a Select Committee of the House; or
- (iii) that it be referred to a Joint Committee of the Houses with the concurrence of the Council; or
- (iv) that it be circulated for the purpose of eliciting opinion thereon:

Provided that no such motion as is referred to in clause (iii) shall be made with reference to a Bill [if it contains only provisions dealing with all or any of the matters specified in sub-clauses (a) to (g) of clause (1) of article 110 of the Constitution]: ”

Here, the Minister is referring it to a Joint Parliamentary Committee under rule 74 (3). My esteemed colleague Shri Bhartruhari Mahtab had explained in detail how the whole principle of Standing Committee is being circumvented, superseded, and bypassed by the Government in its quest to get majority in both Houses. The same thing actually happened in the case of the Insolvency and Bankruptcy Code. When that Bill was brought here, I objected tooth and nail saying it should not be

passed. The Government felt that it would not get a majority in the Rajya Sabha. It sent it to a Joint Parliamentary Committee, the fear being that it would not be passed in the Rajya Sabha but if the Joint Parliamentary Committee presents the Report both Houses get morally bound by it. In the whole process, we are weakening the foundation of the Standing Committee system.

It is normally the practice that any legislation concerning any Ministry or any Department is automatically referred to a Standing Committee. Unless it is a small amendment or a trivial amendment, any Bill of a substantial nature is referred to the Standing Committee. As our esteemed colleague Shri Bhartruhari Mahtab has so eloquently stated, that process should not be give a go-by.

We have no complaint about the personnel of the Committee because we are ourselves Members of both the Committees. We are conscious of the power of the Standing Committee. We have a Finance Committee headed by Dr. M. Veerappa Moily, which has given important Reports on most of the matters. Why should that Standing Committee be bypassed or be overridden by the Government's desire to bring in a Bill?

Let us also look at how the Bills are coming. On the penultimate day, you are bringing a Bill and then a motion, without any scope for discussion.

On the earlier Bill our esteemed colleague Shri Premachandran spoke eloquently on how he had no time to study the Bill so that proper opposition to the introduction of the Bill can be made. You are sitting in the Chair, Sir, and you have a long parliamentary experience. Please see that the niceties of the parliamentary behaviour are maintained by the Government. If the Chair does not protect us then who will protect the House or the Constitution or the Rules? That is why we seek refuge in your infinite powers from the Chair to support us. Thank you, Sir.

SHRIMATI P.K. SHREEMATHI TEACHER (KANNUR): Sir, the hon. Minister has proposed the names of 20 hon. Members for the Joint Parliamentary Committee but we do not see a single woman Member in that list.... *(Interruptions)* There are a number of experienced women sitting on the Treasury Benches.... *(Interruptions)* Please let me speak.

There are a number of experienced and learned women Members sitting on the Treasury Benches. I would say that though we have only 10 per cent women MPs in the House, how can the Government take this anti-women stand? This is an anti-women stand and you should also support me because this message will go to the nation. All the people, the women are looking to the Parliament. They will ask where are the names of women in this list? The Government, the ruling party should be

the role model. A majority of the women MPs are on the treasury side. So, my request to the Government and to the hon. Minister would be to include at least one woman in the proposed list of the JPC. You can say that just for the sake of medicine, you include one woman MP from the Lok Sabha to serve as a Member of the Joint Parliamentary Committee. Thank you, Sir.

SHRI N.K. PREMACHANDRAN (KOLLAM): Sir, I fully support the observations made by Shri Mahtab as well as Prof. Saugata Roy with regard to referring this Bill to the Joint Select Committee. I would also like to draw the attention of the hon. Chair to the fact that this Bill is referred to the Joint Select Committee by virtue of Rule 74, clause 3. If you refer to clause 3, there is a proviso which says that the Bill should be circulated two days prior to the date of sending it to the Standing Committee or sending it to the Joint Select Committee or to any other Committee. That mandatory provision is there but the hon. Speaker has given the permission and hence it is okay. Definitely, the other question is that Rule 75 will be applicable here. Kindly see Rule 75, clause (1).

This is the introduction stage of the Bill and to my information the preliminary discussion is the first reading of the Bill. As per the first reading of the Bill, Rule 75 (1) gives authority, empowers the Members to have a discussion on the principles of the Bill. Not on the merits of the Bill but on the principle of the Bill we have a right to discuss it. Unfortunately, I may repeat that this Bill was circulated today by 9.00 o'clock in the morning when I was coming to the Parliament. Prof. Saugata Roy has rightly said that we are not in a position to have a look into the Bill and, therefore, we are not able to discuss the principles of the Bill as per the Rule 75 (1).

Under these circumstances, I oppose this move of the Government. I also support Madam, Shreemathi Teacher and appeal to all the political parties, not only the Treasury Benches, to have a woman representative in the proposed Committee. Thank you, Sir.

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (SHRI S.S. AHLUWALIA): Hon. Deputy Speaker, Sir, my learned friends Shri Bhartruhari Mahtab, Prof. Saugata Roy and Shri N.K. Premachandran raised certain issues about the formation of the Joint Committee on a particular Bill. Madam Teacher has also raised an issue. She has not objected to the formation of the

Committee, but she is objecting as to why there is no woman member. It is better to talk to Shri P.Karunakaran as to why he has not given your name in that.

My simple point is this. Shri Bhartruhari Mahtab raised a point that it can be referred to the Standing Committee also. He is not *per se* objecting the referring the Bill to a Committee, but to not to a Joint Committee. Then, he has shown that the Government is apprehensive of something. He is talking about some hidden agenda. There is no hidden agenda. The agenda is very clear that when we are talking about bringing legislation in the country, we are bringing new legislations for future generation and these are new generation future laws. This law is also a new law. Rather I will say that when it is sent to any Committee, it gives more leverage to the members to get more exposure and to get more in depth knowledge about the Bill while talking to the stakeholders and Government officials. But, there is a difference between the Departmentally Related Standing Committees and the Joint Committees. Rather he should feel happy that a Government Bill, which has been introduced and referred to the Joint Committee, now he has got the power to change the total character of the Bill. It is because the recommendations of the Departmentally Related Standing Committees are not mandatory. But, here it is mandatory. Here, your recommendations are mandatory in nature and ultimately, the Government is bound to accept those recommendations.

SHRI BHARTRUHARI MAHTAB : Hon. Deputy Speaker, Sir, the hon. Minister is very intelligent enough. The Committee's list itself demonstrates this. The number of members in this Committee is always in the side of the Ruling Party. Any change, if I suggest, will be voted out. But, in a Standing Committee, the suggestions can get reflected in the Report for the consumption of others.

SHRI NISHIKANT DUBEY (GODDA): I object to it. कोई भी कमेटी पार्टी के निर्णय पर काम नहीं करती है। महताब जी, आप आठ साल से काम कर रहे हैं। हम लोगों ने ज्वाइंट कमेटी में भी बात की है।

श्री भर्तृहरि महताब : मेरा अमेंडमेंट पिछली ज्वाइंट कमेटी में कोई भी एक्सेट नहीं हुआ। ये सब वोटिड आउट हो जाते हैं।

श्री निशिकान्त दुबे : सरकार कोई इंस्ट्रक्शन नहीं देती है। किसी मैम्बर को आज तक किसी सरकार ने इंस्ट्रक्शन नहीं दी।

HON. DEPUTY SPEAKER: Please, now the hon. Minister will reply.

श्री भर्तृहरि महताब : यह आपकी पार्टी का बड़प्पन है। मैं स्वीकार करता हूं, लेकिन हमारे जो अमेंडमेंट होते हैं, वोटिड आउट हो जाते हैं।

श्री एस.एस.अहलुवालिया : ऐसा नहीं है। आप देखिए, जब भी किसी पार्टी की सरकार आती है, पार्टी की सरकार के आने का मूल कारण होता है कि लोकसभा में किसका बहुमत है, बहुमत के हिसाब से ही इस समिति के सदस्यों का चयन होता है। चाहे वह स्टैंडिंग कमेटी हो, चाहे ज्वाइंट पार्लियामेंटरी कमेटी हो, चाहे ज्वाइंट कमेटी हो

या सलैक्ट कमेटी हो, उसमें रूपरेखा ऐसे ही बनती है। मुद्दा यह होता है कि आपके सुझाव, जो डिपार्टमेंट रिलेटिड स्टैंडिंग कमेटी में आते हैं, वह सरकार मान भी सकती है और नहीं भी मान सकती है। किंतु, यहां उसे मानना ही पड़ता है क्योंकि आप पूरे बिल का रूप बदल सकते हैं, आपको यह अधिकार है। आपको ज्यादा लिवरेज दिया जा रहा है कि आप इस पर चर्चा कीजिए और सरकारी पक्ष के सदस्यों को अपने साथ जोड़कर समझा सकते हैं कि ऐसे नहीं, ऐसे लिखा जाना चाहिए, तो मेरे खाल से उसे माना जाता है, इसलिए इस मोशन को पास किया जाए।

HON. DEPUTY SPEAKER: The question is:

“That the Bill to provide for the resolution of certain categories of financial service providers in distress; the deposit insurance to consumers of certain categories of financial services; designation of systemically important financial institution; and establishment of a Resolution Corporation for protection of consumers of specified service providers and of public funds for ensuring the stability and resilience of the financial system and for matters connected therewith or incidental thereto, be referred to a Joint Committee of the Houses consisting of 30 members, 20 from this House, namely:

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The motion was adopted