

Sixteenth Loksabha

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Title: Introduction of Banning of Unregulated Deposit Schemes Bill, 2018.

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF SHIPPING (SHRI PON RADHAKRISHNAN): Madam, on behalf of Shri Shiv Pratap Shukla, I beg to move for leave to introduce a Bill to provide for a comprehensive mechanism to ban the unregulated deposit schemes and to protect the interest of depositors and for matters connected therewith or incidental thereto.

HON. SPEAKER: Prof. Saugata Roy, on this Bill, do you want to say something now?

PROF. SAUGATA ROY (DUM DUM): Madam, is he moving this Bill on behalf of Shri Shiv Pratap Shukla?

HON. SPEAKER: Yes, he is moving it on behalf of Shri Shiv Pratap Shukla.

प्रो. सौगत राय : अरे बाबा! He is in Finance Ministry now! कब क्या हो जाता है, पता ही नहीं चलता।

माननीय अध्यक्ष: श्री सौगत राय जी, आप जानकारी नहीं रखते हैं। क्या पूरा समय केवल पश्चिम बंगाल में ही लगाएंगे, थोड़ा यहाँ पर भी ध्यान दें।

Motion moved:

“That leave be granted to introduce a Bill to provide for a comprehensive mechanism to ban the unregulated deposit schemes and to protect the interest of depositors and for matters connected therewith or incidental thereto.”

PROF. SAUGATA ROY : Madam, under Rule 72 (1) of the Rules of Procedure and Conduct of Business in Lok Sabha, I have given a notice to oppose the introduction of the Bill to provide for a comprehensive mechanism to ban the unregulated deposit schemes and to protect the interests of depositors and for matters connected therewith or incidental thereto.

Madam, I am opposing the introduction of this Bill not because I feel that there is no need to regulate and control unregulated deposit taking companies. But I may inform you that there are already Non-Banking Financial Companies controlled by the Reserve Bank of India. There are Collective Investments Schemes regulated by the Securities and Exchange Board of India. There are Chit Funds which are regulated by State Governments. When our Standing Committee on Finance, of which Shri Nishikant Dubey and Shri Shivkumar Udasi are Members, gave its 16th Report, it asked for a comprehensive legislation on all such irregular deposit taking activities, in view of the various scams that have happened in Odisha, Punjab, West Bengal, Jharkhand etc. Now, this is a piecemeal legislation. This touches only a fringe of the total problem of irregular deposits. That is why, I am demanding that this Bill be withdrawn because there is already the Chit Fund Bill which is pending before the Standing Committee on Finance. Let it be withdrawn, let there be a comprehensive Bill taking into account all sorts of irregular deposit taking activities which is playing havoc with the life and savings of many people in this country and let the Government come forward with a comprehensive legislation to control these activities so that scams which destroy lives of people do not happen. All this has happened during the course of the present Government. From 2014 to 2018, many scams have been exposed.

So, this Bill is not sufficient. That is why, I oppose the introduction of this Bill.

SHRI PON RADHAKRISHNAN: Hon. Finance Minister during his Budget Speech in 2016-17 had announced that a Comprehensive Central Legislation would be brought in to deal with the menace of illicit deposit schemes. ... (*Interruptions*). The worst victims of these schemes are

poor and illiterate people. So, because of these things, we are bringing this Bill. The Parliament's competence to enact the proposed law is under the Entries of 43, 44, 45 and 93 of List I and the 8 of List III respectively under the Seventh Schedule of the Constitution of India.

HON. SPEAKER: The question is:

“That leave be granted to introduce a Bill to provide for a comprehensive mechanism to ban the unregulated deposit schemes and to protect the interest of depositors and for matters connected therewith or incidental thereto.”

The motion was adopted.

SHRI PON RADHAKRISHNAN: Madam, I introduce the Bill.