

rial Disputes (Appellate Tribunal) Act, 1950"

The motion was adopted.

Shri Abid Ali: I introduce the Bill.

PAPER LAID ON THE TABLE

STATEMENT GIVING REASONS FOR PROMULGATION OF INDUSTRIAL DISPUTES (APPELLATE TRIBUNAL) ORDINANCE

Shri Abid Ali: I beg to lay on the Table a copy of the Explanatory statement giving reasons for immediate legislation by Ordinance under 89 (1) of the Rules of Procedure. [See Appendix III, Annexure No. 56]

CODE OF CIVIL PROCEDURE (AMENDMENT) BILL

Mr. Speaker: The House will now proceed with the further consideration of the motion moved by Shri Pataskar on the 2nd August, relating to the Code of Civil Procedure (Amendment) Bill along with the amendment moved. Shri Pataskar to continue his unfinished speech.

The Minister in the Ministry of Law (Shri Pataskar): Yesterday, I tried to show the implications of the present measure which has been brought and why it has been thought necessary not to delay this reform till such a time as the proposed Law Commission submits its report. Within the framework of this present Bill, I would like to show how these provisions which are proposed in this measure will try to effect wholesome changes with a view to reducing both delay and expenses in the matter of the administration of civil law. I referred to the provisions contained in clauses 2 and 3 which lay down that in the case of future interest, it shall not exceed 6 per cent. in any case and that no interest should be allowed on the amount of costs awarded to a party. I think I need not dilate on this point any further.

Coming to the amendment proposed in clause 4,....

Shri A. M. Thomas (Ernakulam): As regards the provision denying interest on costs, there has not been any support from any section of the House. What is the reaction of the Government?

Shri Pataskar: I do not take that view at all of the discussions which I have also followed with great interest. Of course, there is a section in the House which thinks that we may allow interest on costs. As a matter of fact, so far as my experience goes, courts have been already very reluctant to grant interest on costs. As I explained yesterday, interest is something in the nature of what one gets when money is invested or given as a loan to somebody. Award of interest on costs might show as if litigation is something in which a man might invest money so that he might not only get his costs, but also interest on the costs awarded. Of course, what should be done by way of compensation for false claims or for false evidence, is an entirely different matter. But, I do not think there is any justification for that. That is my personal reaction. I do not know what the Select Committee will do. I think it is right and proper that we should not allow interest to be awarded on the amount of costs awarded to a party. Otherwise, it will mean that we are trying to allow interest on money invested in litigation. The very idea of interest is something entirely different altogether. One can understand the propriety of a man, who is compelled to go to a court of law in vindication of his claim, getting his costs, if he succeeds. My hon. friend Shri S. V. Ramaswamy suggested that if he had invested the money in a bank, he would have got interest. I think it is not the same thing as investing money in a bank for interest. This is spending money for *bona fide* litigation. However, the matter may be considered in the Joint Committee. I do not think there was a large amount of support in favour of saying that this clause