Securities Contracts (Regulation) Bill, 1954

erratic vehicles do not leave the road. Therefore, these provisions are in line with the general scheme of the Bill that we have brought forward.

The same hon. Member then made certain observations in regard to blank transfers and their utility in those bank advances and so on and so forth. These are matters which I have no doubt will provoke a great deal of discussion in the Joint Committee. The main element about blank transfers is of course the level of stamp duties. If stamp duties were to be more reasonable or less onerous, then, I feel sure that one could progress very much further on the road towards limiting or even abolishing blank transfers. It is because the public concern finds that the stamp duties on every occasion on which the transfer is made is high, that they try to avoid it by this device which, at the moment, is a legal one. There are one or two more points to which the hon. Member referred and I have no doubt that the Joint Committee will take notice of them. With these observations, I commend my motion.

Mr. Chairman: The question is:

"That the Bill to prevent undesirable transactions in securities by regulating the business of dealing therein, by prohibiting options and by providing for cerother matters connected therewith, be referred to a Joint Committee of the Houses consisting of 45 members, 30 from this House, namely:

Shri Chimanlal Chakubhai Shah, Shri Bhawanji A. Khimji, Shri Khushi Ram Sharma, Dr. Jayantilal Narbheram Parekh, Shri Shivram Rango Rane, Shri S. S. Natarajan, Shri C. P. Mathen, Shri C. R. Basappa, Shri R. P. Navetia, Shri Radhelal Vyas, Shri Bhupendra Nath Misra, Swami Ramanand Shastri, Shri Sarju Prasad Misra, Choudhary Raghubir Singh, Shri Krishnacharya Joshi, Shri B. R. Bhagat,

Jhunjhun-Shri Banarsi Prasad wala, Shri Jagannath Kolay, Shri Lokenath Mishra, Shri Tek Chand, Shri Ghamandi Lal Bansal, Shri Radheshvam Ramkumar Morarka, Shri U. M. Trivedi, Shri Tulsidas Kilachand, Shri M. S. Gurupadaswamy, Shri Jaswantraj Mehta, Shri Narayan Rao Waghmare, Shri Kamal Kumar Basu, Shri T. B. Vittal Rao, and the Mover, and 15 members from Rajya: Sabha;

Indian Stamp

that in order to constitute 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 makea report to this House by the 15th February, 1956;

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

that this House recommends to Rajya Sabha that Rajya Sabha do join the said Joint Committee and communicate to this House the names of members to be appointed by Rajya Sabha to the-Joint Committee;"

The motion was adopted.

INDIAN STAMP (AMENDMENT) BILL.

The Minister of Revenue and Defence Expenditure (Shri A. C. Guha): I beg to move:

"That the Bill further to amend the Indian Stamp Act, 1899, betaken into consideration."

This is a very small Bill and I can say that this is also a very simple Bill even. I have not much to sav on this Bill besides what is already

[Shri A. C. Guha]

mentioned in the Statement of Objects and Reasons. The main purpose of this Bill is to effect uniformity of rates on stamp duties on instruments included in the Union list. Entry No. 91 in the List 1 of the Seventh Schedule of the Constitution is:

"Rates of stamp duty in respect of bills of exchange, cheques, promissory notes, bills of lading, letters of credit, policies of insurance, transfer of shares, debentures, proxies and receipts."

These have been put within the Union List. Again under article 268 of the Constitution, the Central Government is only to make the law and except Part C States, the proceeds will have to be collected by the States. Further:

"The proceeds in any financial year of any such duty leviable within any State shall not form part of the Consolidated Fund of India, but shall be assigned to that State,"

So, this is just discharging the obligation put by the Constitution on the *Cèntral Government and the revenue will go to the State Governments. Our interest is to enforce a uniformity of rates as regards those instruments mentioned in the Union List and that is done by clause 7 of the Bill. By clause 3, we extend this provision of the Bill to Part B States. At present, the Indian Stamp Act as such is not applicable to Part B States, but by clause 3 of this Bill, we are providing that this Act will also apply to Part B States as far as the instruments mentioned in the Union List are concerned. We have taken the advantage of this occasion to provide certain other things in the Bill to fill up some lacunae or remove some anomalies in the existing Act. In entry 47 (d) of Schedule I of this Act-the

Indian Stamp Act—there is some fuention about insurance policies. But we have been advised by the Law Ministry that this item does not cover the group insurance policy. So, by clause 4(b) of the Bill, we are defining the group insurance policy and by clause 7 (iii) we are providing the rates of duty for the group insurance policy.

[Shri Barman in the Chair]

In the original Act there is mention of certain States, but by this Bill we are substituting the word "States" by the term "India" and we are also extending the Act to the whole of India except Jammu and Kashmir, as far as stamp duty on the instruments mentioned in the Union List is concerned. In section 10 of the existing Act, there is something which Members will not like to retain in any statute, namely,

"in the case of bills of exchange or promissory notes written in any Oriental Language."

This Act was passed in 1899 and now we are removing the phrase "written in any Oriental Language". That is done by clause 5 of this Bill. Clause 8 repeals the existing Acts in the States in as far as they are in conflict with the provision of this Act regarding the rates of stamp duty on the instruments mentioned in the Union List.

I have nothing more to say. As I stated before, our main purpose in bringing this Bill is to enforce a uniformity of rates of stamp duty as far as instruments mentioned in entry 91 of Seventh Schedule are concerned. The Constitution has imposed certain responsibility on the Central Government and we are only discharging that responsibility by this Bill, whereby we intend to enforce uniformity of stamp duty rates on the instruments mention—

ed in the Union List. I hope the House will be agreeable to accept this Bill and pass it.

Mr. Chairman: The question is:

"That the Bill further to amend the Indian Stamp Act, 1899, be taken into consideration."

The motion was adopted.

Clauses 1 to 8, the Enacting Formula and the Title were added to the Bill.

Shri A. C. Guha: I beg to move:

"That the Bill be passed."

Mr. Chairman: The question is: "That the Bill be passed."

The motion was adopted.

Shri A. C. Guha: I wonder even my hon. friend Pandit Thakurdas Bhargava has not a word to say on this.

ABOLITION OF WHIPPING BILL

The Deputy Minister of Home Affairs (Shri Datar): I beg to move:

"That the Bill to provide for the abolition of whipping as a punishment by repealing the Whipping Act, 1909, and further amending the Code of Criminal Procedure, 1898, as passed Rajya Sabha, be taken into consideration."

This is a measure, which, I am confident, will be welcomed by all sections of the people. I would give a very short history of whipping as a measure of punishment. Almost from the beginning of the British era of administration, whipping had been in vogue in India except for a short period of 1834 to 1864. It was considered that its re-introduction in the penal law of India was necessary on account of certain circumstances and therefore in the year 1804 a fairly detailed Act, the Whipping Act was passed, according to which a number of offences were made punishable with whiping. Either whipping itself was a punishment or it was an ad-427 LSD.

ditional punishment Public opinion gradually rose against it even during the Brtish administration. In the year 1909, the present Whipping Act was passed.

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So far as this Act is concerned, even though it was penal to a certain extent, it was not so harsh as that of 1864. An attempt was made about 12 years ago to have this Act completely abolished at the instance of a private Member. Unfortunately, that attempt was entirely unsuccessful. It was left to the present Government to have whipping as a mode of punishment abolished altogether. There are certain countries where this question was also considered and it was decided in England in 1948 that whipping should be abolished altogether. So far as the United States of America are concerned, it is a matter of interest to know that only one State out of 48, a very small State has got this Act on its statute book. But, it is not known whether any resort is had to that. On the whole it may be taken that so far as the U.S.A. are concerned, they have not got whipping as a mode of punishment in use.

It has also been found that almost from the first, whipping as a punishment does not have the effect that it is intended to have. Whipping was introduced with a view to prevent or deter the offender from committing some offences. That was one object. The second object was, there were certain highly heinous offences for which the only punishment should be corporeal punishment by way of whipping a man. But, it has been found from medical evidence that whipping has just the opposite 'effect. Therefore, both in England as also in India, we have got eminent authorities who say that whipping will not have the desired effect, but on the other hand, it coarsens the man and the man loses faith in his own self-respect, and ultimately he goes on a career of crime. This is what has been found. It may be noted in this connection that it was once felt that so far as juvenile offenders were concerned, perhaps