

(6) The allegation that "cover notes did not bear engine number and chasis number" is not correct.

(7) New India Assurance Co. Ltd., had agreed as a part of the Scheme not to charge any "handling charges".

(8) It is alleged that the hire purchase contracts were not allowed to run for a full period of 12 to 18 months referred to in the Schedule of the hire-purchase agreements. It may be pointed out that it is not obligatory that the hire-purchase contracts should run for the maximum period.

Re : *Alleged incorrect statement No. 5:*

It was stated in the answer that the Consortium duly considered all requests for hire purchase indemnity covers but it is alleged in the notice that no written proposal was received in this connection. It is gathered that requests for hire purchase indemnity covers were received in writing and were dealt with by insurers in the normal course, including reference to the Board of Directors where necessary.

As regards proposal forms for motor insurance cover, the same were not insisted on for the reasons already mentioned in item (1) under alleged incorrect statement No. 4. The case of S. Subramanian Vs. Hindustan General Insurance Society Ltd. referred to by the Hon'ble Member deals with mis-description of the risk whereas in the present case there was no such possibility as the risk was of a standard nature.

Re : *Alleged incorrect statement No. 6:*

The Hon'ble Member had stated that even though all motor vehicles moving out of the factories are risks of a standard nature, insurers in India do insist on proposal forms. It may be pointed out that a proposal form is not a legal requirement. Insurers ask for a proposal form to enable them to rate the risk. Absence of the proposal form did not handicap the insurers in the proper rating of the risks.

Re : *Alleged incorrect statement No. 7:*

Government maintain that the statement that "the premiums under these policies were collected in each and every case and paid to the insurers" is correct. The premiums in respect of motor insurance cover were received by the insurers from M/s. Mahindra & Mahindra Ltd., who, it would appear, collected the premiums along with the saleprice of the vehicles.

Re : *Alleged incorrect statement No. 8:*

It has already been stated in the answer that since none of the insurers confiscated any vehicle, they were not concerned with the collection of Sales Tax. There is thus no irregularity committed by them.

It may also be added that the transactions under consideration were entered into between private parties and the insurance business in question was transacted by the insurers before nationalisation (Government took over the management of insurers carrying on general insurance business on 13-5-1971). Moreover, it is gathered that the insurance business in question did not result in any loss to the insurers.

SHRI B. V. NAIK (Kanara): Sir, I have been requesting you for the last three days about the matter raised by me under Rule 377.

SHRI VIKRAM MAHAJAN (Kangra): Yes; please allow it.

MR. SPEAKER: Well, I will keep your recommendation in mind, Mr. Mahajan. Now, Prof. Dandavate.

12.11½ hrs.

#### MATTERS UNDER RULE 377

(i) NON-CLEARANCE OF CHEQUES WORTH CRORES OF RUPEES IN DELHI BANKS.

PROF. MADHU DANDAVATE : (Rajapur): Mr. Speaker, Sir, with your permission, I am raising a serious issue that has developed in the clearing house at Delhi, and as a result of which the banking industry, particularly in Delhi, is facing a grave crisis. The Bank of Baroda is

a *bona fide* member of the clearing house which is functioning under the chairmanship of the manager of the State Bank of India. Sir, the Bank of Baroda Employees' Federation, of which I am the President, has been accepted as the sole collective bargaining agent after the verification of membership, and after this recognition has been given, the representative of the Bank of Baroda belonging to the Bank of Baroda Employees' Federation has been sitting in the clearing house. Unfortunately, the rival representatives of the rival unions belonging to the AIFBEA objected to the representative of the Bank of Baroda Employees' Federation sitting in the clearing house, and the Bank of Baroda's representative in the clearing house is refused by the AIFBEA representatives and the other banks whereas the representative of the Bank of Baroda Employees' Federation behaved in a particular way accepting the reality of the representative character. As a result of that, a grave situation has developed, because the presentation of cheques and instruments has been rejected and refused. As a result of that, cheques and instruments for collection worth Rs. 1.25,00,000 have been remaining uncleared. This is the situation in the Bank of Baroda alone.

Unfortunately, the rivalry between the rival trade union organisations has led to the paralysis in the working of the clearing house in Delhi. As a result, a lot of managers of the banks have also complained. There was an informal meeting of the managers of various nationalised banks and they also said that since the Bank of Baroda Employees' Federation has been legally accepted as the sole collective bargaining agent, their representative should have a voice in the clearing house. Therefore, they have contacted the representatives of all the rival bank organisations and requested them to see that this claim is respected, and this rivalry should not be allowed to paralyse the banking industry.

I would make a request to the Finance Minister. I have already written a letter to

the Finance Minister about the situation that has developed and I am sure the Finance Minister will realise the gravity of the situation and through you I request the Finance Minister to make a categorical statement on the situation that has developed in the clearing house.

MR. SPEAKER: Now, Shri Banerjee.

PROF. MADHU DANDAVATE : Sir, may I request the Finance Minister to make the statement? He is ready.

श्री मधु लिमचे (बांका) : हर उच्चांग मं ट्रेंड यूनियन स्पर्धा हैं को लेकर अर्थ-व्यवस्था ठप हो रही हैं। यह आप करवा रहे हैं। अर्थ-व्यवस्था को खत्म किया जा रहा हैं।

SHRI SHANKAR DAYAL SINGH  
rose—

MR. SPEAKER : You are very fond of shouting and all that. May I request both Members to keep quiet? There seems to be some underground spring between both of you. When he gets up, you also get up simultaneously. After all, this is not good. Do not do it every day.

PROF. MADHU DANDAVATE : Sir, before you call the other hon. Member, request you . . .

MR. SPEAKER : I am not asking the Minister to make a statement. It is upto him to make a statement. I am not going to do it in all cases. I leave it to the Minister to make a statement.

I am not going to order it. Except in exceptional circumstances, I leave it to the Minister. Please do not argue with me. When it is raised under rule 377, it is presumed that the other side will reply.

श्री मधु लिमचे : प्रिज्यूड हैं तो उसके अनुसार काम करना चाहिए।

PROF. MADHU DANDAVATE : On his own he wants to clarify.

SHRI SHYAMNANDAN MISHRA (Begusarai) : Shall we not know the answer when an important point had

[Shri Shyamnandan Mishra]

been raised in the House ? The hon. Finance Minister is here; he is keeping mum. Activities are at a standstill.

MR. SPEAKER : Shri Shamim, You seem to be fresh and happy this morning. I must read your article.

SHRI S. A. SHAMIM (Srinagar) : You will be enlightened. It is one of the best articles so far written.

MR. SPEAKER : Best articles seldom attract arrests. So long as Mr. Shamim is in the House, he is fully protected. After that he can come to my house ; he will receive my best hospitality. Let him not go out. I will not allow him to be arrested so long as he is with me.

(ii) USE OF DIR TO ARREST LOCO RUNNING STAFF

SHRI S. M. BANERJEE (Kanpur) : With your permission I should like to raise the most important issue which is confronting all sections of the people in the country. It is the locomen's strike which is at present confined to the Northern and the Western Railways. There is clear enough indication that if the employees are arrested under the D.I.R. there could be an all-India strike. The hon. Prime Minister has appealed to my hon. friend Shri Samar Mukherjee not to support the strike. It is not a question of supporting or opposing the strike. Certain assurances which were given have unfortunately not been implemented. The situation is such that it is impossible for people to travel. We have sent the telegrams we received from various parts of the country. The leaders of the locomen are prepared to meet the hon. Minister; they were unable to come before the 17th. I am told that there are warrants against the leaders and important office-bearers, but once they are arrested the situation will deteriorate. In Delhi arrests have already started. Instead of condemning the strike the Prime Minister should intervene in the matter. It should be realised that the use of DIR

last time did not result in a solution. I therefore request you to ask the hon. Minister to start negotiations immediately and make a statement. We are prepared to help him provided an assurance is given that the leaders will not be arrested if they come to Rail Bhawan for discussion. I do not want to issue a warning to the Government, but if DIR is used indiscriminately to arrest them, the situation will deteriorate. The Prime Minister may be angered but the situation demands her intervention. If people are arrested, there is going to be an all-India strike, whether she wants it or not. Naturally, we on this side will have to support those who are going to be arrested under the DIR.

We want the situation to improve. It is for the Government to issue a statement and come forward to start negotiations immediately. I would request you to ask the Minister of Parliamentary Affairs to ask the Railway Minister to make a statement immediately.

SHRI JYOTIRMOY BOSU (Diamond Harbour) : I also gave notice under rule 377 about locomen strike.

MR. SPEAKER : That was an adjournment motion.

SHRI JYOTIRMOY BOSU : I gave both.

MR. SPEAKER : Please do not give so many notices at one and the same time.

SHRI JYOTIRMOY BOSU : This was given yesterday. The adjournment motion was given today. All I want to say is, Indian Airlines have come to an end, Railways are coming to an end. Postal services have been seriously and drastically cut because of lack of communications. Government has let down the workers who do hard work. If the Government had been truthful to the workers and fair to the workers, this situation would not have arisen. I support the demand made by Shri Banerjee that the Railway Minister