

quantity from this area. Many people visit the area from commercial point of view to explore the possibility of setting up their own units in Satna. But till now this Satna city has not been linked with Air service which is very essential. Sometime back air service was available here but that time industrial development was not good. Due to this passengers were not available. But today situations have changed.

The Central Government is requested to connect Satna city with air service at the earliest to boost the industrial development.

(vi) Need to ensure payment of wages to the workers under Central Schemes in Mandala, Madhya Pradesh

SHRI FAGGAN SINGH KULESTE (Mandala) : Mr Deputy Speaker, Sir the employment assurance scheme and Tribal subplan (Special central assistance) have been in operation in my Parliamentary constituency Mandala in Madhya Pradesh since long through which many departmental construction work have been undertaken in the district. Lakhs of workers have been given slips under 'food for work scheme' but no payment in terms of money or food has been made to them for last one year. The administration has been apprised of the situation even then the poor tribal workers of district Mandala have not been paid against food slips.

The Central Government is requested that these tribal workers should either be paid in terms of money or in terms a food at the earliest.

12.18 hrs

**INSURANCE REGULATORY AUTHORITY
BILL - Contd.**

MR. DEPUTY-SPEAKER : The Minister of Finance may reply.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : Mr. Deputy-Speaker, Sir, I am deeply grateful to the hon. Members who have participated in this debate and who have made a number of valuable suggestions. My reply will be very brief because the purpose of this Bill is very limited.

As you are aware, the Malhotra Committee on reforms in the insurance sector gave a very comprehensive Report. Insofar as it concerns the present Bill, we are now dealing with the recommendations contained in Chapter 10 of the Report which is titled 'Regulation of Insurance Business'. Chapter 12 deals with restructuring of the insurance

industry. There are other chapters dealing with other aspects of the insurance industry. In its Report, the Malhotra Committee said the following on regulation of insurance business. Now, I would like to read just a few lines:-

"Insurance is a business of large numbers and generates large volume of funds over a time. These funds are required to be invested prudently with the triple objectives of maximisation of yield, safety and liquidity. It is also necessary that entities intending to take up the business of insurance had adequate professional capability and financial solvency. Insurers everywhere are, therefore, subject to regulation by the State in some form or the other whose objective is that the business is run fairly and is conducted by competent persons does not result in undue losses to insurers themselves, resulting in their insolvency. And last but not the least, protects and legitimate interests of insuring public."

All regulatory arrangements try to create systems whereby alarm signals are triggered in good time in respect of insurance institutions drifting towards mismanagement and insolvency so that timely, corrective steps could be applied."

Then, after tracing the history of regulation of insurance in this country, referring to the Indian Life Insurance Act of 1912, Insurance Act of 1938, creation of the office of Controller of Insurance and then, how the office was diminished, the report concludes:

"The Controller office started shrinking in all respects. The Controller and Assistant Controller are now part of the Insurance Division of the Ministry of Finance and perform a few residual functions under law which are not of much importance. These developments have also created some functional anomalies. The powers and position of the Controller of Insurance have undergone a drastic curtailment after nationalisation of the insurance industry. There are, however, operations which require professional regulations even in the nationalised insurance sector, particularly in areas relating to expenses, customer's service, claim settlement, resolution of disputes, reasonableness of tariff and prevention of restricted trade practices."

Having regard to both the present and future scenarios, the Committee is of the view that the office of the Controller of Insurance should be restored its full statutory powers and segregated from the Ministry of Finance, as a matter of high priority. In due course, the insurance regulatory authority be set up as a multi-member statutory body similar to the Securities and Exchange Board of India.

[Shri P. Chidambaram]

IRA should have a full-time chairman. IRA should have full functional autonomy, operational flexibility to discharge its functions in a free and fair manner."

What we are doing in this Bill is simply to make the IRA a multi-member statutory body. There is no other purpose behind this Bill. No other purpose is sought to be achieved through this Bill. In fact, no other purpose can be achieved through this Bill. There are some good provisions of the Bill which apparently have not been noticed very keenly.

Firstly, clause 13 (1) of the Bill says:

"Subject to the provisions of this Act and any other law for the time being in force, the Authority shall have the duty to regulate, promote and ensure orderly growth of the insurance business."

This Act is, therefore, subject to any other law. This is reinforced by clause 26 which says:

"The provisions of this Act shall be in addition to, and not in derogation of, the provisions of any other law for the time being in force."

So, clause 13 read with clause 26 of this Bill make it absolutely clear that this law is not in derogation of any other law. If there is any other law on insurance, that law will continue to prevail.

I would invite the attention of the House to two crucial provisions in the last two Acts. One is Section 30 of the LIC Act that reads:

"Except to the extent otherwise provided in this Act, the Corporation shall have the exclusive privilege of carrying on life insurance business in India."

No attempt is being made to touch or change Section 30 of the LIC Act. Similarly, Section 24 of the GIC Act says:

"Except to the extent provided in this Act, the Corporation and the acquiring companies shall have the exclusive privilege of carrying on general insurance business in India."

No attempt is being made through this Bill to touch or change Section 24 of the GIC Act. Therefore, this Bill does not in any way override either Section 24 of the GIC Act or Section 30 of the LIC Act. Therefore, any apprehensions in that behalf, I would say, with great respect, are misplaced.

DR. MURLI MANOHAR JOSHI (Allahabad) : Why were 46 MOUs signed between the different companies?

SHRI P. CHIDAMBARAM : Let me complete, Sir. I am aware of the point raised.

Therefore, some apprehensions expressed — that decisions have been taken to privatise LIC or GIC or decisions have been taken to open up the entire sector to private insurers, domestic or foreign — are in my respectful submission, misplaced, premature and do not arise while this House considers this Bill.

I would, therefore, make it very clear that the purpose of this Bill being only to set up a regulatory authority, the merits and demerits of this Bill must be debated having regard to that purpose and this Bill should be voted having regard to that purpose.

I, Sir, am a Minister of a Coalition Government which is bound by the Common Minimum Programme. I have no hesitation in declaring that it is my duty to implement the Common Minimum Programme. The Common Minimum Programme clearly stated that the insurance business will be restructured; that there is a place both for the public sector and the private sector; that the experience of the banking industry will be applied to the restructuring of the insurance business; and that LIC and GIC will continue to remain in the public sector and will be strengthened...
(Interruptions)

DR. MURLI MANOHAR JOSHI : Does Shri Nirmal Kanti Chatterjee agree with this?

SHRI E. AHAMED (Manjeri) : Restructuring can also be put in the private sector ?

SHRI P. CHIDAMBARAM : In implementing the Common Minimum Programme, I have, from time to time, made some announcements. One announcement I made very early in the life of this Government is that we will bring a Bill to make the nonstatutory IRA a multi-member statutory body. It is that promise that is being implemented through this Bill.

However, I would like to draw the attention of this House to the fact that in the Budget Speech on the 28th of February this year; I did, with the consent of my Cabinet colleagues, announce the Government's Policy that the insurance industry would be restructured.

Let me make two things clear, Sir. I can do nothing without a consensus within the Government and I can do nothing without the consent of this House. It is my intention to restructure the insurance business and I have outlined, what restructuring will take place, in the Budget Speech. It is hardly necessary for me to recall every aspect of that. But I wish to point out that some important announcements were made and I believe, this House in the sense that it did not move or pass a cut motion and in the sense that

this House approved the Appropriation Bill and the Finance Bill broadly supporting the direction of restructuring.

It is quite possible that individual Members have reservations about restructuring of the insurance business, but as one is committed to reforms, as the Government is committed to reforms, I would be less than truthful to myself if I say that the insurance business does not require restructuring or that it should stop or pause or turn back.

SHRI B.K. GADHVI (Banaskantha) : Sir, may I have one clarification?

SHRI P. CHIDAMBARAM : Let me finish.

MR. DEPUTY-SPEAKER : Let him complete his reply, you can ask later on.

SHRI B.K. GADHVI : Is the hon. Minister afraid of yielding?

SHRI P. CHIDAMBARAM : No, I only do not want to be interrupted in the chain of thought. The hon. Member can speak again. I will yield after a little while.

Therefore, while carrying through these reforms, I will always do so after building a consensus within the Government and after obtaining the consent of this House.

If there is no consensus within the Government on any particular decision, I cannot take a step forward. If I do not have the consent of this House, I cannot take a step forward. The outline is clear and that requires that insurance business must be restructured. How it will be done, when it will be done will depend upon Government decisions taken from time to time, the Bills moved in this House from time to time and winning the support of this House from time to time.

Today, to apprehend issues which do not arise in this Bill, I would boldly submit, is premature and I would like to allay those apprehensions.

I would urge the hon. Members once again to read paragraphs 47 to 52 of my Budget speech which outlines the policies of the Government. If I continue to have the support of this House, we will implement those policies from time to time after securing the consent of this House and after bringing appropriate Bills in that behalf. For the time being, all that we are doing is to implement a commitment made long ago by the previous Government and reiterated by the present Government that the Insurance Regulatory Authority will be made into a statutory Regulatory Authority and the reasons for that are spelt out very clearly in the Malhotra Committee Report.

Sir, the policy of allowing foreign insurers to open

liaison offices goes back to the previous Government. They have been allowed to open liaison offices. I answered a question in this House that we have continued with that policy. They are not allowed to do any commercial business. They are not allowed to raise any funds. They have been allowed to open liaison offices in order to be a channel of communication between India and their respective countries. That policy goes back to 1995 and we have continued that policy. But, as I said, none of them has been allowed to do any commercial business; none of them will be allowed to do any commercial business; and none of them, in fact, can be allowed to do any commercial business as long as Parliament stands by the laws that are already made.

I have invited your attention to Section 24 of the GIC Act and Section 30 of the LIC Act. The two provisions are very clear.

12.33 hrs.

[MR. SPEAKER in the Chair]

In my Budget speech, I proposed, I underline the word 'proposed', that the health insurance business should be modestly opened by allowing selected Indian companies to come into the health insurance business. I have not proposed opening of the life insurance business. I have not proposed the general opening of the general insurance business. I have proposed, I underline the word 'proposed', to this House that the health insurance business may be opened up by allowing a few selected Indian companies to come into the business but I cannot do that unless I have your consent. I cannot, by an Executive Order, allow any Indian company to come even into the health insurance business. I need the consent of this House because Section 24 of the GIC Act and Section 30 of the LIC Act confers the monopoly of general insurance and life insurance respectively on these two Corporations. If there is a Cabinet decision, I will come back to this House and seek your consent and at that time, surely the House will decide. I am not so dim as not to take note of the views of this House. There is the Left which opposes any kind of opening to the private sector. There is the Congress which cautiously supports an opening. There is the BJP which supports an opening only to Indian players. I am not so dim as not to be aware of these three separate positions. Therefore, with these three positions staring in my face, if I want to carry on the business of managing the finances of this country and reforming, I must come back to you again and again and again and try to convince you. . .
(Interruptions)

SHRI MULLAPPALLY RAMACHANDRAM (Cannanor): What about the stand of the Tamil Manila Congress?

. (Interruptions)

SHRI P. CHIDAMBARAM : I must come back to you again and again and ask for your consent (*Interruptions*); without the consent nothing can be done.

My friend asked me as to what the stand of the Tamil Manila Congress is. The Tamil Manila Congress is a Party born in fire and committed to reform. (*Interruptions*). We are reformers . . . (*Interruptions*)

SHRI MULLAPPALLY RAMACHANDRAM : Please do that.

SHRI P. CHIDAMBARAM : I am a reformer, but I cannot reform without consensus. I cannot reform without consent. The consensus is something which has to be built here; consent is something I will have to secure here. I am aware of that. We are a parliamentary democracy. I do not have a personal agenda. I have a goal. I have a vision and each one of us shares a vision. Shri Vajpayee, when he was the Prime Minister, spelt out a vision; the Congress spelt out a vision. I have a vision, but I cannot carry out this vision unless I have a consensus among my friends or the consent of each section of this House.

Sir, at an appropriate time, when the Government takes a decision, if the Government takes a decision about what further reforms are required to be done, I will come back to this House. But, for the present, let me make it absolutely clear that all that we are doing is to make the Insurance Regulatory Authority a multi-member statutory body.

I would most humbly appeal to this House to join me in passing this Bill and putting in place a multi-member statutory body to regulate the insurance business.

JUSTICE GUMAN MAL LODHA (Pali) : Can the hon. Minister explain what the concept of restructuring and reform is which he is committed to and the Common Minimum Programme is committed to? Is it opening to the foreign companies? He said that his Party was committed to and he would do it at some appropriate time. He may please spell out whether his reform and restructuring of the insurance business contemplate opening of the insurance to the foreign companies and if not he may kindly also tell us why he has allowed. . . (*Interruptions*)

SHRI P. CHIDAMBARAM : I have already answered this question.

JUSTICE GUMAN MAL LODHA : Why were these 46 companies which are dealing in insurance allowed? . . . (*Interruptions*)

MR. SPEAKER : You cannot restart the debate.

(*Interruptions*)

JUSTICE GUMAN MAL LODHA Sir when we wanted

to speak in between, he said that when he sits down, then we can ask. When we ask him now, he says that he cannot reply. . . (*Interruptions*)

MR. SPEAKER : The Minister is coming back to the House again and again.

(*Interruptions*)

JUSTICE GUMAN MAL LODHA : He has to spell it out.

MR. SPEAKER : I think, you have made your point.

(*Interruptions*)

JUSTICE GUMAN MAL LODHA : Sir, let me complete the sentence. What is the M.O.U. which has been entered by Tatas and by other companies with these 46 companies? Would the Minister kindly put those M.O.U.s. on the Table of the House or spell out whether insurance was included in that or not?

SHRI BASU DEB ACHARIA (Dankura) : Since the hon. Minister has stated that the intention of this Bill is not to open the insurance sector to the private and multinational foreign companies for the present, not at this point of time never . . . (*Interruptions*)

MR. SPEAKER : You go ahead with what you understood.

(*Interruptions*)

SHRI BASU DEB ACHARIA : There is no difficulty in accepting the amendment tabled by Shri Nirmal Kanti Chatterjee. The hon. Minister can accept the amendment that no foreign and Indian private company be allowed in the insurance sector. He can assure that. . . (*Interruptions*)

MR. SPEAKER : Do you have any differences with Shri Basu Deb Acharia?

SHRI NIRMAL KANTI CHATTERJEE (Dum Dum) : No, Sir. But in terms of arguments, yes.

I perfectly appreciate the very democratic parliamentary stance of the Minister of Finance. Who will not accept sitting here? The point is initially in the Draft Bill, there was a specific mention that this is the Regulatory Authority to control companies including private companies. It is my amendment in the Committee which deleted the word 'private'.

Now, the misfortune of the English language in that dictionary of words which hon. Jaswant Singh can understand, is that by deleting this word 'private', it has become more generous. The intention originally was that this Bill itself provides for future liberalisation of Section

24 of the LIC Act and Section 26 of the GIC Act. That was the intention. . . (*Interruptions*)

AN HON. MEMBER : Section 30.

SHRI NIRMAL KANTI CHATTERJEE : All right. Section 30.

Sir, yesterday we argued that *per se* strengthening of GIC, LIC and public sector would be weakened by opening it up to the private sector. The private sector demolishes itself in this sector - I am not talking about direct investment in the physical goods sector. In this sector the confidence can be so sapped by the activities of the private sector that that will injure the Insurance climate of the country and, therefore, the public sector insurance companies also. That we argued, but to that, he is not responding because he is taking a stance that we are doing nothing else but providing a Regulatory Authority. We do not want him to come back again and again. . . (*Interruptions*)

MR. SPEAKER : You can move your amendment when we come to that. We are not at the stage of amendments now.

SHRI NIRMAL KANTI CHATTERJEE : Sir, I shall save your time by not speaking at that time. Therefore, I am speaking now.

MR SPEAKER: I am happy that for the rest of the day you are not going to speak.

SHRI NIRMAL KANTI CHATTERJEE : Sir, the point that I was making is that the Minister says that he will come back again and again. We want to help him. We do not want him to come back again and again. Therefore, we say that in this particular Bill itself, let us provide for excluding the private sector in the insurance business, including the foreign sector. That is my amendment. There are other amendments also. He is certainly a very close observer. He has distinguished between BJP and us who restrict this exclusion only to the foreign sector. But, first of all, let us test the House whether or not they share our appreciation. But in this Regulatory Authority Bill itself, we shall so inhibit that our very dear Finance Minister does not have to come back to the House again and again.

SHRI E. AHAMED : Sir, I may be permitted only to say one word. . . (*Interruptions*)

MR. SPEAKER : If you want to debate it again, you can debate it.

(*Interruptions*)

MR. SPEAKER : If the House desires that the Bill has to be debated once again, you debate it.

(*Interruptions*)

MR. SPEAKER : It cannot be done like that.

(*Interruptions*)

SHRI PRAMOTESH MUKHERJEE (Berhampore) (WB) : Sir, when the Finance Minister is seeking the consensus of the House, then can he give an assurance that multinational corporations will not be allowed to enter into this sector? This is my only question because he is seeking the consensus of the House. . . (*Interruptions*)

MR. SPEAKER : Please decide it by voting. I shall put every clause to vote and at that time you can decide. You cannot start the debate again.

(*Interruptions*)

SHRI CHITTA BASU (Barasat) : Sir, I have only one point for clarification. . . (*Interruptions*)

SHRI E. AHAMED : Sir, what has been submitted by my hon. colleague, Shri Nirmal Kanti Chatterjee is, according to me, untenable. The House cannot make a law saying that there shall be no change in the policy in future. We have only to make the law for a Regulatory Authority. It is quite untenable. . . (*Interruptions*) How can he say that there shall be no change in the insurance policy in future?. . . (*Interruptions*)

MR. SPEAKER : What is happening in the House?

(*Interruptions*)

MR. SPEAKER : Please listen to me. I am putting the Bill to vote. You have every right to vote for it or against it. You have the fundamental right to vote for it or not to vote for it. You decide it yourselves. But please do not waste the time of the House now.

(*Interruptions*)

SHRI PRAMOTESH MUKHERJEE : Sir, I will cast my vote and my vote will go against this Bill. Since he is seeking the consensus of the House. . . (*Interruptions*)

MR. SPEAKER : The question is :

"That the Bill to provide for the establishment of an Authority to protect the interests of holders of insurance policies and to regulate, promote and ensure orderly growth of the insurance industry and for matters connected therewith or incidental thereto, be taken into consideration".

The motion was adopted.

MR. SPEAKER : Before the House takes up the Clause by Clause consideration of the Bill, I have an announcement to make.

I have to inform the hon. Members that due to some sudden technical snag in the voting system at about 1030 hours today, the Automatic Vote Recording Machine is not in operation. The Division will therefore take place under Rule 367AA by distribution of slips.

Members will be supplied in their seats with 'Aye'/'No' printed slips for recording their votes. 'Aye' slips are printed on one side in green, both in English and Hindi and 'No' in red on its reverse. On these slips, members may kindly record votes of their choice by signing and writing their Division numbers. Members who desire to record 'Abstention' may ask for the 'Abstention' slip. Immediately after recording his vote, each member should pass on his slip to the Division Clerk who will come to his seat to collect the same for handing over to the officers at the Table. Members are requested to fill in only one slip for Division.

Members are also requested not to leave their seats till the slips are collected by the Division Clerks.

The House will now take up Clause by Clause consideration of the Bill.

Clauses 2 and 3

MR. SPEAKER : The question is:

"That clauses 2 and 3 stand part of the Bill".

The motion was adopted.

Clauses 2 and 3 were added to the Bill.

Clause 4

Amendments made :

Page 2, line 34, -

for "three" substitute "five"

(3)

Page 2, -

after line 39, insert -

"Provided that the Central Government while appointing the Chairperson and the whole-time members, shall ensure that at least one person each is a person having knowledge or experience in life insurance, general insurance or actuarial science respectively." (4)

(Shri P. Chidambaram)

MR. SPEAKER : The question is:

"That clause 4, as amended, stand part of the Bill".

The motion was adopted.

Clause 4, as amended, was added to the Bill

Clause 5

Amendments made :

Page 2,-

for line 40 to 45 substitute -

"5. (1) The Chairperson and every other whole-time member shall hold office for a term of five years from the date on which he enters upon his office and shall be eligible for reappointment:

Provided that no person shall hold office as such Chairperson after he had attained the age of sixty-five years;

Provided further that no person shall hold office as such whole-time member after he has attained the age of sixty-two years." (5)

Page 3, lines 3 and 4, -

omit "or sub-section (3)"

(6)

(Shri P. Chidambaram)

MR. SPEAKER : The question is :

"That clause 5, as amended, stand part of the Bill".

The motion was adopted.

Clause 5, as amended, was added to the Bill.

Clause 6 and 7

MR. SPEAKER : The questions is :

"that clauses 6 and 7 stand part of the Bill".

The motion was adopted.

Clauses 6 and 7 were added to the Bill.

Clause 8

Amendment made:

Page 3,-

for lines 25 to 28 substitute -

"8. The Chairperson and the whole-time members shall not, for a period of two years from the date on which they cease to hold office as such, except with the previous approval of the Central Government, accept -

(a) any employment either under the Central Government or under any State Government; and

(b) any appointment in any company in the insurance sector". (7)

(Shri P. Chidambaram)

MR. SPEAKER : The question is:

"That clause 8, as amended, stand part of the Bill".

The motion was adopted.

Clause 8, as amended, was added to the Bill.

New Clause 8A

Amendment made:

Page 3: -

after line 28, insert -

"8A The Chairperson shall have the powers of general superintendence and direction in respect of all administrative matters of the Authority". (8)

(Shri P. Chidambaram)

MR. SPEAKER : The question is:

"That new clause 8A be added to the Bill".

The motion was adopted.

New clause 8A was added to the Bill.

Clause 9 to 12

MR SPEAKER : The question is :

"That clauses 9 to 12 stand part of the Bill".

The motion was adopted.

Clauses 9 to 12 were added to the Bill.

Clause 13

SHRI P. CHIDAMBARAM : I beg to move:

Page 5, line 5, -

for "Insurance business" substitute

"Insurance and reinsurance business" (9)

Pare 5, -

Omit line 19. (10)

MR SPEAKER : Shri Nirmal Kanti Chatterjee, are you moving your amendment?

SHRI NIRMAL KANTI CHATTERJEE: Of course, Sir.

I beg to move:

Page 4,

after line 37, insert -

"Provided that no foreign or 'private sector company shall be allowed to enter the insurance business."

MR. SPEAKER : Motion moved:

Page 4,

after line 37, insert-

"Provided that no foreign or private sector company shall be allowed to enter to enter the insurance buisness." (12)

SHRI P. CHIDAMBARAM : Sir, I oppose this amendment for two reasons. Firstly, this amendment is inadmissible under Rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha as beyond the scope of the Bill. This Bill does not purport to amend or change any provision of the LIC Act or the GIC Act. On the contrary, both sections 13 and 26 of this Bill reaffirm that those Acts will continue to prevail. Section 24 of the GIC Act and Section 30 of the LIC Act, which I pointed out a little while earlier, confer a monopoly on life Insurance Corporation and General Insurance Corporation respectively. This amendment which purports to say that that monopoly should not be derogated from, is not an amendment within the scope of this Bill. This amendment will be relevant if a Bill is moved to amend the LIC Act or the GIC Act.

My second reason to oppose it is that I have made it abundantly clear that the only proposal that this Government has made regarding opening of the insurance business is a modest opening of health insurance business to selected Indian players. We have made it very clear that there is no proposal by this Government, there is no decision by this Government to open up life insurance. There is no proposal by this Government to open up any other part of general insurance. There is no proposal by this Government to allow any foreign company or multinational. Therefore, having regard to that statement and having regard to my objection based on Rule 80, I oppose this amendment which is inadmissible. I will request you to rule it out.

SHRI NIRMAL KANTI CHATTERJEE : Sir, he is now taking shelter under certain rules and provisions. In the original draft, the word 'private' was mentioned. Subsequently, it is being deleted through an amendment. So, this does not indicate that in terms of scope and ambit, there was no objection in the mind of the Government.

Secondly, since this proviso is inconsistent with the existing LIC Act and GIC Act, there can be no bar in having this amendment added to this Bill. This is consistent with the provisions. Anything not consistent with the provisions of the earlier LIC Act and GIC Act would have required some further modification here. Since this amendment is consistent, I submit to you, this is valid and can be presented before the House for voting.

SHRI RAM NAIK (Mumbai North) : Sir, it is to be decided by you whether an amendment which has been given by a Member is according to the rules or not. So, once you feel that the amendment which has been suggested by a Member is according to rules, then only, it is circulated or it can be moved. So, the hon. Minister taking an objection that the amendment which has been suggested is not according to rules does not come within his authority. It is your authority to decide whether it is as per the rules. Once you decide that an amendment is according to the rules, then only, it can be moved and not without it. So, when the amendment has been circulated, we presume that it is according to the rules. It is another matter whether it is to be accepted by the House or not. At least on that point, the hon. Minister cannot object to the amendment. That is what I would like to say.

MR. SPEAKER : I think, the hon. Minister referred to Rule 80 of the Rules of Procedure and Conduct of Business in Lok Sabha. The point Shri Ram Naik has made is valid and I must uphold that because Rule 80 speaks about admissibility of the amendments.

Now that the amendment having been admitted and circulated and the Member having already moved the amendment, we cannot go into the aspect of admissibility any more. There are only two ways open to us; either the Member has to withdraw it or I have to put it to vote of the House.

I think the points have been made and I have given my ruling. So, I will put the amendments moved by Justice Guman Mal Lodha and Shri Shivraj Singh to the vote of the House along with the amendment moved by Shri Nirmal Kanti Chatterjee.

JUSTICE GUMAN MAL LODHA : Mr. Speaker, Sir there is a fundamental difference between my amendment and the amendment moved by Shri Nirmal Kanti Chatterjee. My amendment is limited only to the foreign and multinational companies, whereas his amendment is also covering the *swadeshi*, Indian companies. (*Interruptions*) We have got a fundamental difference on philosophy on this point. We permit *swadeshi* companies to compete in the insurance field, but we oppose the foreign companies to come into this field. So, my amendment is different from his amendment. They can support my amendment, but we would not support their amendment. So, I move my amendment.

I beg to move:

Page 4,—

after line 37, insert—

"Provided that the Authority shall not be empowered

to permit any foreign company or foreign enterprises to do insurance business in India either on its own or through a Joint Venture." (14)

[*Translation*]

SHRI SHIVRAJ SINGH (Vidisha): Mr. Speaker Sir, we would like to press our amendments. We oppose foreign companies and support *swadeshi* companies. We have not opposed the entry of private companies into insurance sector but we oppose the entry of any multinational company or foreign company into insurance business. Therefore, I am moving my amendment.

I beg to move that:

Page 4, - after line 37; *insert* - "Provided that no foreign company shall be allowed to enter the insurance business" (13).

[*English*]

SHRI P. CHIDAMBARAM : Sir, I would request both the movers of the amendments not to press their amendments for the following reason. The only proposal - again I take care to emphasize that word - is that health insurance, which I think is a product required by the people of India and millions and millions are deprived of health insurance in this country, should be opened to selected Indian players, Indian companies. That is the only proposal that the Government has decided upon and I have placed it before this House. Even for that, as I said, I would have to move suitable amendments to appropriate laws, which I am not doing now. At an appropriate time, if that policy has to be carried out, an amendment would have to be moved for that. At this stage, even that is not possible. Therefore, the apprehension that foreign insurance companies or multinationals are going to enter India is a completely misplaced apprehension. There is no proposal by the Government, there is no decision by the Government for that. In view of the categorical statement, I would request the hon. Members not to press their two amendments.

DR. MURLI MANOHAR JOSHI : Mr. Speaker, Sir, I want to make a small submission here.

MR. SPEAKER : I do not think we can go on endlessly debating upon an amendment.

DR. MURLI MANOHAR JOSHI : Sir, I am just pointing out what he has said. There are 46 MOUs signed between foreign insurance companies and Indian companies. . . . (*Interruptions*)

MR. SPEAKER : Dr. Joshi, I do not have any amendment from you. Please take your seat.

Shall I put the amendments together or separately.

JUSTICE GUMAN MAL LODHA : Sir, kindly put it separately.

SHRI NIRMAL KANTI CHATTERJEE : Sir, the Minister has requested us to withdraw our amendments. We make a counter request to him. Let him accept our amendments.

MR. SPEAKER : Now that it seems that nobody is willing to accept each other's request, the House has to decide.

So, I now put the amendment No.12 moved by Shri Nirmal Kanti Chatterjee to the vote of the House.

The question is:

Page 4,—

after line 37, insert—

"Provided that no foreign or private sector company shall be allowed to enter the insurance business." (12)

Those in favour will please say 'Aye'.

SOME HON. MEMBERS : 'Aye'

MR. SPEAKER: Those against will please say 'No'.

SEVERAL HON. MEMBERS : 'No'.

MR. SPEAKER : I think the 'Noes' have it. The 'Noes' have it.

SHRI NIRMAL KANTI CHATTERJEE : No, Sir. The 'Ayes' have it. We want a division.

MR. SPEAKER : Let the Lobbies be cleared—

13:00 hrs.

MR. SPEAKER : Please take your seats. Now, the Lobbies have been cleared. Kindly take your seats. Shri Fernandes, the Lobbies have been cleared. Please take your seats.

Once again, I am going to put the Amendment No. 12 moved by Shri Nirmal Kanti Chatterjee to the vote of the House.

The question is:

"Page 4,—

after line 37, insert—

"Provided that no foreign or private sector company shall be allowed to enter the insurance business." (12)"

The Lok Sabha divided.

MR. SPEAKER: Let the slips be distributed.

Division No 1

Time: 13.20 hrs.

AYES

Sl.No.

1. Acharia, Shri Basu Deb
2. Pal, Shri Rupchand
3. Mukherjee, Shrimati Geeta
4. Basu, Shri Chitta
5. Chatterjee, Shri Nirmal Kanti
6. Riyan, Shri Baju Ban
7. Baxla, Shri Joachim
8. Roy Pradhan, Shri Amar
9. Raghvan, Shri V.V.
10. Zahedi, Shri Mehboob
11. Mollah, Shri Hannan
12. Mandal, Shri Sanat Kumar
13. Singh, Shri Ramashraya Prasad
14. Choudhury, Shri Badal
15. Basu, Shri Anil
16. Mukhopadhyay, Shri Ajoy
17. Topdar, Shri Tarit Baran
18. Roy, Shri Haradhan
19. Barman, Shri Uddhab
20. Mukherjee, Shri Subrata
21. Bala, Dr. Asim
22. Ray, Shri Balai Chandra
23. Dome, Dr. Ram Chandra
24. Pramanik, Prof. R.R.
25. Murmu, Shri Rup Chand
26. Singh, Shri Shatrughan Prasad
27. Surendra Nath, Shri K.V.
28. Bauri, Shrimati Sandhya
29. Khan, Shri Sunil
30. Chakraborty, Shri Ajay
31. Ramendra Kumar, Shri
32. Sampath, Shri A.
33. Barman, Shri Ranen
34. Mukherjee, Shri Pramothes
35. Paul, Shri Sebastian
36. Singh, Shri Darbara
37. Mohan, Shri Anand
38. Chandra Shekhar, Shri
39. Fernandes, Shri George

Sl.No. Name

40. Jai Prakash, Shri

41. Nitish Kumar, Shri

42. Das, Shri Bhakta Charan

43. Mandal, Shri Brahmanand

Division No 1 Time: 13.20 hrs.

NOES

Sl.No.	
1.	Chidambaram, Shri P.
2.	Yadav, Shri Mulayam Singh
3.	Jena, Shri Srikanta
4.	Baishya, Shri Birendra Prasad
5.	Arunachalam, Shri M.
6.	Balasubramoniyam, Shri S.R.
7.	Venkatraman, Shri T.G.
8.	Jalappa, Shri R.L.
9.	Verma, Shri Beni Prasad
10.	Singh, Shrimati Kanti
11.	Nishad, Capt Jai Narayan Prasad
12.	Shervani, Shri Saleem Iqbal
13.	Khalap, Shri Ramakant D.
14.	Singh, Shri Raghuvaran Prasad
15.	Ramaiah, Dr., Bolla Buli
16.	Charu, Dr. S Venugopala
17.	Dar, Shri Mohd. Maqbool
18.	Somu, Shri N.V.N.
19.	Baalu, Shri T.R.
20.	Dennis, Shri N.
21.	Islam, Shri Qamarul
22.	Paswan, Shri Sukdeo
23.	Rai, Shri Nawal Kishore
24.	Rayudu, Shri K.S.
25.	Ram Babu, Shri A.G.S.
26.	Yadav, Shri Lal Babu Prasad
27.	Yadav, Shri Dinesh Chandra
28.	Yadav, Shri Anil Kumar
29.	Venkatesan, Shri P.R.S.
30.	Devi, Shrimati Bhagwati
31.	Singh, Shri Virendra Kumar
32.	Shankar, Shri B.L.
33.	Reddy, Shri S.Ramchandra

Sl.No.	
34.	Kumaraswamy, Shri H.D.
35.	Swamy, Shri C. Narayana
36.	Krishna, Shri
37.	Siddaraju, Shri A.
38.	Kandasamy, Shri K.
39.	Theertharaman, Shri P.
40.	Gowda, Shri Y.N. Rudresha
41.	Savanoor, Shrimati Ratnmalai D.
42.	Kumar, Shri M.P.Veerendra
43.	Narasimhan, Shri C.
44.	Natrayan, Shri K.
45.	Yadav, Shri Surendra
46.	Kandasamy, Shri V.
47.	Swamy, Shri G. Venkat
48.	Banatwalla, Shri G.M.
49.	Ramanathan, Shri M.
50.	Nagaratnam, Shri T.
51.	Ram Sagar, Shri
52.	Sarma, Dr. Arun Kumar
53.	Rajesh Ranjan alias Pappu Yadav, Shri
54.	Shanmuga Sundaram, Shri V.P.
55.	Palanimanickam, Shri S.S.
56.	Siva, Shri Tiruchi
57.	Barq, Dr. Shafiqur Rahman
58.	Patnaik, Shri Naveen
59.	Parasuraman, Shri K.
60.	Ramalingam, Dr. K.P.
61.	Shanmugam, Shri P.
62.	Gnanaguruswamy, Shri R.
63.	O'Brien, Shri Neil Aloysisus
64.	Phoolan Devi, Shrimati
65.	Devi, Shrimati Subhawati
66.	Sahai, Shri Harivansh
67.	Raja, Shri A.
68.	Yadav, Shri Ramakant
69.	Udayappan, Shri S.P.
70.	Rego, Shrimati Hedwig Micae;
71.	Rao, Shri P.V. Narsimha
72.	Dev, Shri Sontosh Mohan
73.	Upendra, Shri P.
74.	Sayeed, Shri P.M.

Sl.No.		Sl.No.	
75.	Kaur, Shrimati Sukhbuns	116.	Misra, Shri Pinaki
76.	Ahmed, Shri M. Kamaluddin	117.	Patel, Shri Budhsen
77.	Tiwari, Shri Narayan Dutt	118.	Topno, Kumari Frida
78.	Kamson, Prof. M.	119.	Gavit, Shri Manikrao Hodlya
79.	Sultanpuri, Shri K.D.	120.	Nandi, Shri Yellaiah
80.	Bhuria, Shri Dileep Singh	121.	Bose, Shrimati Krishna
81.	Singh, Shri Ajit	122.	Singh, Shri Khelsai
82.	Bhoi, Dr. Krupasindhu	123.	Singh, Maj. Gen. Bikram
83.	Ramchandran, Shri Mullappally	124.	Murthy, Shri K.S.R.
84.	Panigrahi, Shri Sriballab	125.	Reddy, Shri G.A. Charan
85.	Ahamed, Shri E.	126.	Singh, Shri Th. Chaoba
86.	Namgyal, Shri P.	127.	Patel, Shri Dinsha
87.	Sharma, Shri Mangat Ram	128.	Singh, Shri Surender
88.	Nayak, Shri Mrutyunjaya	129.	Soumya Ranjan, Shri
89.	Islam, Shri Nurul	130.	Sahu, Shri Anadi Charan
90.	Thomas, Shri P.C.	131.	Sarpotdar, Shri Madhukar
91.	Patel, Shri Shantilal Parsotamdas	132.	Geete, Shri Anant Gangaram
92.	Rao, Shri R. Sambasiva	133.	Prabhu, Shri Suresh
93.	Rathava, Shri N.J.	134.	Shah, Shri Manbendra
94.	Agarwal, Shri Jai Prakash	135.	Varma, Shrimati Purnima
95.	Bhagat, Shri Vishveshwar	136.	Adsal, Shri Anandroa Vithoba
96.	Bhudania, Shri Narendra	137.	Pranjpe, Shri Prakash Vishwanath
97.	Suresh, Shri Kodikunnil	138.	Tomar, Dr. Ramesh Chand
98.	Magani, Shri Gulam Mohd. Mir	139.	Rudy, Shri Rajiv Pratap
99.	Meena, Shri Bheru Lal	140.	Agarwal, Shri Dhirendra
100.	Diwan, Shri Pawan	141.	Benda, Shri Ramchandra Chaudhary
101.	Rao, Shri P.V. Rajeshwar	142.	Swami I.D., Shri
102.	Alemao, Shri Churchill	143.	Vedanti, Shri Ram Vilas
103.	Riba, Shri Tomo	144.	Katheria, Shri Prabhu Dayal
104.	Reddy, Shri K. Vijaya Bhaskara	145.	Singh, Shri Rajkeshar
105.	Kanshi Ram, Shri	146.	Singh, Shri Devi Bux
106.	Singh Deo, Shri K.P.	147.	Kanaujia, Shri G.L.
107.	Azmi, Shri Ilyas	148.	Athawalay, Shri Narayan
108.	Gadhvi, Shri B.K.	149.	Jaiswal, Dr. M.P.
109.	Bangarappa, Shri S.	150.	Mallikarjunappa, Shri G.
110.	Selja, Kumari	151.	Gehlot, Shri Thawar Chand
111.	Ghatowar, Shri Paban Singh	152.	Kusmaria, Dr. Ramknshan
112.	Nishad, Shri Vishambhar Prasad	153.	Singh, Shri Shivraj
113.	Chennithala, Shri Ramesh	154.	Patidar, Shri Rameshwar
114.	Chacko, Shri P.C.	155.	Nimbalkar, Shri Hindurao Naik
115.	Jos, Shri A.C.	156.	Biswakarma, Shri Mahabir Lai

Sl.No.	Sl.No.
157. Badade, Shri Bhimrao Vishnuji	198. Tiwari, Shri Lal Bihari
158. Pawar, Shri Uttamsingh	199. Premi, Shri Mangal Ram
159. Patil, Shri Annasahib M.K.	200. Paranjpe, Shri Dada Baburao
160. Mohle, Shri Punnu Lal	201. Mishra, Shri Shyam Behari
161. Sharma, Shri Ashok	202. Oraon, Shri Lalit
162. Kuleste, Shri Faggan Singh	203. Sarode, Dr. G.R.
163. Ram, Shri Braj Mohan	204. Patel, Shri Chandresh
164. Mude, Shri Vijay Annaji	205. Singh, Shri Amar Pal
165. Wanaga, Shri Chintaman	206. Shakya, Dr. Mahadeepak Singh
166. Darbar, Shri Chhatar Singh	207. Thakre, Shri Rajabhai
167. Singh, Dr. Ram Lakan	208. Chaudhary, Shri Ramtahal
168. Argal, Shri Ashok	209. Chauhan, Shri Nihal Chand
169. Sinha, Shri Manoj Kumar	210. Kanodia, Shri Mahesh Kumar M.
170. Patwa, Shri Sunder Lal	211. 'Bachda', Shri Bachi Singh Rawat
171. Joshi, Dr. Murli Manohar	212. Banshiwal, Shri Shyam Lal
172. Singh, Shri Jaswant	213. Gadhvi, Shri P.S.
173. Vajpayee, Shri Atal Bihari	214. Chowdhary, Shri Pankaj
174. Rana, Shri Kashi Ram	215. Diler, Shri Kishan Lal
175. Jag Mohan, Shri	216. Varma, Shri Bhanu Pratap Singh
176. Naik, Shri Ram	217. Roy, Shri Devendra Bahadur
177. Mahajan, Shri Pramod	218. Chaudhari, Shri Manibhai Ramjibhai
178. Lodha, Justice Guman Mal	219. 'Nidar', Prof. Ompal Singh
179. Pathak, Shri Harin	220. Ramshakal, Shri
180. Rawat, Prof. Rasa Singh	221. Sathi, Shri Harpal Singh
181. Jatia, Dr. Satyanarayan	222. Singh, Shri Nakli
182. Pandey, Dr. M. Laxminarayan	223. Singh, Shri Sohan Veer
183. Drona, Shri Jagat Vir Singh	224. Tripathi, Lt. General Prakash Mani
184. Verma, Prof. Rita	225. Bharti, Dr. Amrit Lal
185. Bhargave, Shri Girdhari Lal	226. Chauhan, Shri Shriram
186. Gupta, Shri Chaman Lal	227. Sonkar, Shri Vidyasagar
187. Sai, Shri Nandkumar	228. Chaudhary, Shri Padamsen
188. Kumar, Shri V. Dhananjaya	
189. Joshi, Vaidya Dau Dayal	MR. SPEAKER : Subject to correction, the result of
190. Patel, Dr. A.K.	the division is:
191. Singh, Shri Prahlad	Ayes : 43
192. Rawat, Shri Bhagwan Shankar	Noes : 228
193. Mishra, Shri Ram Nagina	<i>The motion was negatived.</i>
194. Yadav, Shri Jagdambi Prasad	SHRI V. DHANANJAYA KUMAR (Mangalore) : Shri
195. Verma, Shri R.L.P.	Chatterjee, please withdraw the support !
196. Fundkar, Shri Bhaosahib Pundlik	MR. SPEAKER : Shri Lodha, are you pressing your
197. Subhash Chandra, Shri	amendment?

JUSTICE GUMAN MAL LODHA : I am pressing my amendment No.14 to Clause 13. Sir, I want to say. . .

MR. SPEAKER : No, no. You have already made your submission. No need for that.

JUSTICE GUMAN MAL LODHA : He must accept the amendment because of what he says.

SHRI P. CHIDAMBARAM : I have discussed it with the leaders of the BJP. With your permission and with the permission of this House I wish to make one more effort to persuade them. Please give me just two minutes.

It is not a question of one section of the House voting in favour of one amendment and another section of the House voting against it or two sections of the House joining together on an amendment. It is not that at all. . .
(Interruptions).

MR. SPEAKER : Shri Anand Mohan, what are you doing? Please do not behave like that. Please sit down.

SHRI P. CHIDAMBARAM : I have explained the purpose of this Bill, and I would not repeat it. It is only when we carry out a further reform of restructuring that we will have to examine very carefully what conditions have to be imposed, what qualifications have to be imposed, what terms have to be imposed for any one who may or may not be permitted to enter the insurance sector.

It is quite clear to me that there are several shades of opinion. I recognised that when I spoke. As I said, I have no proposal and the Government has no proposal whatsoever to open up the life Insurance. I did not say so in my Budget speech either. On general insurance, I said in my speech that I am proposing a modest opening — I am quoting from my speech "a modest opening" — and I explained why. In the debate, I explained why health insurance is necessary. When I introduced "Janarogy"; thousands and thousands of policies were taken because it is a very low cost and a low benefit policy. There was demand even for that. There is a tremendous demand in this country for health products. So, when we open up health insurance, it will be opened to selective Indian companies. That is the only policy statement. It has to be translated into a Bill and it has to be translated into action. I would have to come to you again. Then, we will have to write carefully the terms and conditions by which the selected Indian players will enter the health insurance business. That Bill has to go to the Standing Committee. Whatever conditions are to be imposed, we will have to debate coolly and calmly.

I submit that to try to engraft an omnibus amendment to a law on the regulatory authority without examining the implications of the terms and conditions under which the

players will be allowed into the health insurance sector is premature. I recognise the force of the argument. After all, I have to carry on only with the consent of Parliament and the support of Parties. I recognise the force of the argument. Having recognised the force of the argument, I made it very clear that there is no proposal before the Government to allow any foreign company or any multinational company. The only proposal is to allow selected Indian companies into the health insurance business. Even for that, we will have to lay down very strict terms and conditions in regard to what they will need and what they will not need, and what they can do and what they cannot do.

Please understand that the products in insurance are very varied. India is not familiar with many products. India does not have many of the technologies. So, we will have to consider them very carefully at that time. When we consider it calmly and coolly in the Standing Committee, at that time, and come back to Parliament, that I think is the right time for both Shri Lodha and Shri Chauhan to add their amendments. At this time, I would only appeal once again not to press for this amendment. I make it very clear that the Government has no proposal and no decision has been taken, and the Government has no proposal to allow any foreign company or multinational company into any segment of insurance business.

[Translation]

SHRI PRABHU DAYAL KATHERIA (Ferozabad) : Mr. Speaker Sir, I have to submit to you that. . . (Interruptions)
Please consider it. . .(Interruptions)

[English]

DR. MURLI MANOHAR JOSHI : Sir, this amendment does not prohibit their health insurance scheme. We have not opposed any such thing.

SHRI P. CHIDAMBARAM : It does.

[English]

DR. MURLI MANOHAR JOSHI : It does not. You have a mind to restructure it in a manner, at a later date, which will jeopardise not only the insurance sector but also the entire Indian capital structure. Therefore, you are hesitant; otherwise, there is no fun in it. You are repeating the same thing for the last 25 to 30 minutes. I am receiving the same six-line argument that you have nothing except health insurance. When does this amendment impose any restriction on opening it up to selected Indian players? It does not. Therefore, this argument is not valid. If you are so crystal clear in your mind, then you have to accept this. You may say the phraseology may be this or may be that. When the purpose and the intention are the same and if this amendment seeks to integrate it in a very lucid manner, what is the objection to it? I do not see any objection. . .(Interruptions)

[Translation]

SHRI ATAL BIHARI VAJPAYEE (Lucknow) : The Bhartiya Janata Party has made it clear that it is in favour of allowing more participation by private companies in the insurance sector. There should be competition in the insurance Sector and for this reason we did not participate in the voting in the amendment proposed by Shri Chatterjee. As you once remarked, there is a difference between us. There is the question of multinationals. The Finance Minister is of the view that this Bill would not provide unrestricted entry to the multinationals. But we have some apprehensions in this regard. He has made repeated attempts to convince us. But the doubts still persist. If the Government wants to convince us through additional information we are ready to provide more time. But if the Government is adamant on either passing this Bill or defeating the amendment, then it is a different matter. In such a situation division should take place. . .(Interruptions)

SHRI CHANDRA SHEKHAR (Ballia) : Mr. Speaker, Sir, I think that at this moment the Leader of the Opposition has no right to give more time to the Government, when nothing has begun, it cannot be stopped half way. Voting should take place. One is free to vote as per one's choice. No one has the right in Parliament to stop the voting half. Voting should be completed. Once the voting process has begun, the Government or the Finance Minister cannot be given more time. . .(Interruptions)

[English]

THE MINISTER OF TOURISM AND MINISTER OF PARLIAMENTARY AFFAIRS (SHRI SRIKANTA JENA) : It is a question of understanding each other. . .(Interruptions)

MR. SPEAKER : Please let us listen.

SHRI SRIKANTA JENA : I accept the proposal. My only request is to please give us time. This can be postponed and it can be taken up at a later stage. I will only say that in between we will try to examine it. . .(Interruptions)

SHRI GEORGE FERNANDES (Nalanda) : The Government is sensing defeat. It does not mean that in such a situation the voting process should be stopped. This cannot be done .. (Interruptions) Maintain the dignity of the House should voting take place only when you are sure to win, just because you lack the courage to accept defeat? We know from where the pressure is being exerted on you. We know American is pressuring you. We know for how long you have been under pressure to open up the insurance and the banking sector. We also live in this world, and keep ourselves informed. In whose interest are you trying to stop the voting? For the country? Do you want

to give them the message that there is unanimity and consensus in this regard? There is no consensus, voting will take place. . .(interruptions).

[English]

SHRI CHANDRA SHEKHAR : Mr. Speaker, Sir, the hon. Finance Minister has been trying for quite some time to convince everybody in the House. The Parliamentary Affairs Minister said that there should be some understanding. Unfortunately, they do not understand that the whole country understands them, but nobody believes their words. People are unable to say this for the last five or six years. That is the tragedy of this nation. Slowly you are giving away everything to multinationals and foreign capitalists. The country should learn to say "No" and I am glad that some hon. Members have understood that the time has come to say "No" and we should say "No" to you.

[English]

JUSTICE GUMAN MAL LODHA : Mr. Speaker, Sir, I am pressing my amendment .. (Interruptions)

[Translation]

SHRI ATAL BIHARI VAJPAYEE : I had made a constructive proposal, in order to avoid discussion. But it seems there is no unanimity even in this regard. Therefore I withdraw my proposal.

[English]

MR. SPEAKER : Order Please.

(Translation)

DR. RAMESH CHAND TOMAR (Hapur) : The Leader of Opposition has withdrawn his proposal.

[English]

MR. SPEAKER : I do not know how to describe it. I think it is a very unusual situation.

(Interruptions)

SHRI GEORGE FERNANDES : In a Parliamentary system, this is the usual situation. This is not an unusual situation. There is nothing unusual about it. . .(Interruptions)

MR. SPEAKER : All right, it is a usual situation. I am coming to that. I have gone through the records of the past. There had been an occasion in 1966 where the debate on a Bill was adjourned at the third reading stage. So, there is a precedent. But I want to go into more details. I want to take a decision on this. I have to take the sense of the House.

(Interruptions)

SHRI HARIN PATHAK (Ahmedabad) : It is not a debate. That was a debate. It was not done at the time of voting. The debate was over. . .(Interruptions)

MR. SPEAKER : I said that the debate was adjourned at the third reading stage. Shri Harin Pathak, do you know what is the third reading stage? Do you think that the Speaker does not know what is the third reading stage? What is this? Unnecessarily, you are wasting the time.

(Interruptions)

MR. SPEAKER : Please listen to me. Shri Mahajan, I am not going to take a hasty decision on this because whatever we decide, there will be a precedent. I have just seen one precedent. The House will now adjourn for Lunch to meet again at...

(Interruptions)

SHRI PRAMOD MAHAJAN (Mumbai-North East) : No, Sir. I have an objection. You cannot adjourn the House. You cannot open the lobbies . . .(Interruptions)

MR. SPEAKER : I will take it up again after Lunch.

(Interruptions)

SHRI PRAMOD MAHAJAN : You cannot postpone the voting. . .(Interruptions)

MR. SPEAKER : You come back after Lunch. I have adjourned the House. The House will meet at 2.40 p.m.

13.39 hrs.

The Lok Sabha then adjourned for Lunch till Forty Minutes past Fourteen of the Clock.

14.43 hrs.

The Lok Sabha re-assembled after Lunch at Forty Three Minutes past Fourteen of the Clock.

[MR. SPEAKER in the chair]

**INSURANCE REGULATORY AUTHORITY
BILL - Contd.**

MR. SPEAKER : Well, the House has now to take up Amendment No. 13 moved by Shri Shivraj Singh and later on Amendment No. 14 by Justice Guman Mal Lodha.

SHRI PRAMOD MAHAJAN (Mumbai-North East) : They are the same Amendments.

MR. SPEAKER : Yes, of course, I said, they are the same Amendments.

[Translation]

SHRI SHIVRAJ SINGH (Vidisha) : Mr. Speaker, Sir. I move my amendment.

[English]

MR. SPEAKER : You have already moved it. It is only a question of putting it to vote.

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM) : Sir, I have had some exchange of views with hon. Members who wish to press the point that only Indian companies should be allowed into the insurance business. I have consulted my colleagues and I have also consulted the hon. Prime Minister. I have proposed it to the hon. Leader of the Opposition and I propose to the whole House that we may add the following amendment to clause 13. I do not think it necessary to read clause 13. Clause 13 is one which speaks about the powers to regulate. The proposed language is:

"Provided that the authority may grant a certificate of registration..." (Interruptions)

SHRI SUNDER LAL PATWA (Chhindwara) : Sir, I am on a point of order.

MR. SPEAKER : Let him finish first.

SHRI P. CHIDAMBARAM : It is only a proposal. I am not moving a formal Amendment. The proposed language is:

"Provided that the authority may grant a certificate of registration to carry on insurance business only to an Indian company."

I suppose that this captures the sense of the House. This captures, according to me, the best possible consensus that can be arrived at.

I propose that we add this amendment:

"That the Authority may grant a certificate of registration to carry on insurance business only to Indian companies."

SHRI RUPCHAND PAL (Hooghly) : We are opposed to this.

SHRI BASU DEB ACHARIA (Bankura) : We are opposed to this.

SHRI PRAMOTESH MUKHERJEE (Berhampore) (WB) : We are against any kind of privatisation.

SHRI BASU DEB ACHARIA : We are opposed to opening up the insurance sector not only to foreign companies but also to Indian private companies. We are totally against privatisation.