

श्री कामेश्वर सिंह (खगरिया) : उपाध्यक्ष महोदय, एक प्रश्न मुझे भी मन्त्री महोदय से पूछना है। ग्रामीण सड़कों के लिये कुछ भी नहीं किया जाता है और उत्तरी मुर्घेर में सड़कों की वहाँ पर बहुत कमी है। उनको बनाने की पूरी जिम्मेदारी केन्द्रीय सरकार की है और तब कि वह नहीं बना रही है इसलिये मन्त्री महोदय पर इसकी जिम्मेदारी आती है और इस सम्बन्ध में कुछ कहना चाहिए।

MR. DEPUTY-SPEAKER : No, no. It has been talked out.

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14.26 hrs.

#### INSURANCE (AMENDMENT) BILL

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI K. C. PANT) : Sir, I beg to move :

"That the Bill further to amend the Insurance Act, 1938, so as to provide for the extension of social control over insurers carrying on general insurance business and for matters connected therewith or incidental thereto, and also to amend the Payment of Bonus Act, 1965, as reported by the Joint Committee, be taken into consideration."

SHRI S. M. BANERJEE (Kanpur) : How many hours for this Bill, Sir ?

MR. DEPUTY-SPEAKER : Let him finish it ; I am coming to that.

SHRI K. C. PANT : As the House is aware, the Insurance (Amendment) Bill, 1968, was introduced in the House on the 8th April, 1968 and was subsequently referred to a Joint Committee of both Houses of Parliament on the 13th August, 1968. The Report of the Committee was presented to the House on 11th November, 1968.

The Committee received representations from a number of bodies and later heard evidence from several associations. The Committee have recommended a number of changes in the Bill which are explained in detail in their Report. I shall confine myself to a brief explanation of the more

important Provisions of the Bill as amended by the Joint Committee.

The objectives which we seek to secure in General Insurance have already been placed before the House on earlier occasions. Broadly speaking, these are, that the premium rates should be fair ; that there should be complete security to policy holders ; that the ownership of insurance companies and the utilisation of their funds should be regulated in public interest ; and lastly that the industry should function on sound and healthy lines and free from malpractices. The Bill is intended to secure these objectives.

I shall first take up the third objective.

I am taking this up first because the relevant clauses are among the earliest in the Bill. Section 6A of the Insurance Act, which restricts share holdings and voting rights of individuals, and section 27A, which contains a wholesome set of 'Dos and Don'ts' for investment, which previously applied only to life insurers, are now being applied to general insurers also. In terms of Section 6A as proposed to be applied, no person can add to his holdings in the shares of an insurer if such addition would increase his holding to more than 5% and the maximum voting right of a shareholder is also restricted to 5%.

Investments of general insurers will now be regulated by the new section 27B inserted by clause 11. Though for the sake of drafting convenience it is enacted as a new section, it is based on section 27A which is applicable to life insurers with such changes as are necessary on account of the special characteristics of general insurance. Broadly, in terms of the new section, investments are limited to approved investments as defined in that section, except to the extent of 25% which can be invested in non-approved investments with the unanimous consent of the directors other than Government nominated directors. The reason for not requiring consent of Government nominated directors is that they may not be in a position to form an opinion on such investments. They have, however, the right of veto ; if they dissent from any such proposal the particular investment cannot be made.

There is a further provision that an insurer shall not invest in the shares of

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debentures of any one company more than 10% of his assets or 10% of the subscribed share capital and debentures of the company concerned, whichever is less. This restriction is not made applicable to investments in the shares of other insurers incorporated in India so that formation by insurers of specialised insurance companies is not hampered. In any event close tie-up between insurers will be all for the good as it will reduce excessive competition and encourage amalgamations and group working which are favoured by the Bill.

I shall now turn to the second objective, namely security to policy holders. One method of improving the security is to ask for a substantial deposit so that weak insurers are either forced to cease business or join others to form sound units. In the Bill as introduced, it was proposed to increase the statutory deposit, which is now Rs. 3,50,000 for an insurer carrying on all the three classes of general insurance business, to Rs. 20 lakhs whether the insurer transacts one class of insurance business or more. The Joint Committee has retained the figure of 20 lakhs but recommended that the deposit need be only Rs. 10 lakhs so long as the gross premium written direct in India by the insurer does not exceed Rs. 1 crore. Insurers will have five years' time to make up the required deposit by stages.

The provision in the new section 64 VA for a minimum solvency margin, which is being introduced for the first time, is even more important from the point of view of security to policyholders. In the Bill as introduced, the solvency margin was fixed at 20% of the net premium income, subject to a minimum of Rs. 20 lakhs. The Joint Committee has made certain important changes. The minimum quantum now is Rs. 5 lakhs for co-operative insurance societies and Rs. 10 lakhs for others. A slab system has also been introduced and for the premium in excess of the first slab of Rs. 5 crores the relevant percentage will be only 10%.

Ensuring fair premium rates is an important objective of social control. Apart from the fact that a fair premium rate is the essence of service to policyholders, it is the existence of unrealistic premium rates which gives rise to mal-practices. The Tariff Committee, which regulates

rates and which is now wholly composed of non-officials, is being reconstituted by the new Sections 64-U to 64-UK with the Controller of Insurance as its Chairman. The Bill provides that in case of difference of opinion between him and the insurers' representatives his view will prevail. Of course, the approach of the Controller to questions of rating will be purely actuarial, that is to say, on the basis of an analysis of past claims experience. In fact; it will be our first task to put collection and collation of data on a scientific basis so that the rates that emerge are fair to consumers as a whole and fair *inter se*.

As regards the objective that the industry should function on sound and healthy lines and free from malpractices, the several provisions in the Bill to which I have referred earlier, apart from their intrinsic merit, would also help in eradicating malpractices. But as a further and, I may add, a necessary measure for achieving this objective the Bill proposes to clothe the Controller with effective powers of supervision and control. These powers are contained in sections 33, 34 to 34H and 64 VC introduced by clauses 15, 16 and 29 of the Bill. Briefly they are :

- (i) power to carry out routine as well as surprise inspections of insurers and where necessary to enter premises and search and seize records ;
- (ii) power to appoint directors and observers ;
- (iii) provision that appointments and terminations of appointments of wholetime directors and principal officers should receive prior approval of the Controller and power to remove directors and principal officers and appoint others in their place ;
- (iv) power to issue directions to insurers and to caution them or prohibit particular transactions ;
- (v) power to scrutinise reinsurance transactions and require their rectification, where necessary ; and
- (vi) provision that opening of new branches shall have the prior approval of the Controller and

power to order closure of foreign branches.

The Joint Committee devoted special attention to these provisions. They felt that while the Controller must have adequate powers to scrutinise the affairs of insurers and where he feels that things are going wrong, to intervene effectively at a sufficiently early stage, these powers should not be more than what is strictly necessary for effective supervision and control. They also felt that there must be provision for a second opinion as well as for an appeal. In the Bill as originally introduced the provisions relating to approval of appointments and their terminations as well as to removal of officers extended to all directors and principal officers and in two cases to other employees as well. The Joint Committee has confined the scope of these powers to Principal Officers and whole-time directors only.

The other important change made by the Joint Committee is the provision for the establishment of a Consultative Committee with the Controller of Insurance as its Chairman and four Members having special knowledge and experience of insurance business. The Controller will be required to consult the Committee before making an order under Section 34, 34A to 34G, sub-sections (4) and (7) of section 64 UM and Section 64 VC. A new section also provides that any person aggrieved by any order made by the Controller under the sections which I just now listed prefer an appeal against such order to the Central Government whose decision will be final. Further, a provision has been made to enable the Central Government to stay any order of the Controller made under any of the following three sections, namely, Section 34 which relates to issue of directions, 34B (5) which relates to appointment of another person in place of a Director or Chief Executive Officer removed and Section 34E (b) (v) which relates to an order requiring an insurer to make changes in the management.

The Bill also amends the provisions of the Act relating to commissions to insurance agents.

Premiums in general insurance are mostly derived from commerce and industry where insurance is a commercial necessity and the premiums are debited

as an item of expense, this often results in sharing of commission by agents with those who control the business, particularly in fire insurance where the premiums on individual policies are large. The Bill, as introduced, sought to reduce the maximum commission payable on fire insurance business and also to regulate it on a slab basis. The Joint Committee felt that a slab system would give rise to practical accounting difficulties and may stand in the way of expeditious commission payments. They, therefore, decided to continue the existing system of a flat rate of commission but reduced the maximum rate to 5% in this as well as in marine insurance business. In miscellaneous insurance business, however, which consists, in substantial part, of motor insurance business where premiums on individual policies are generally small, the rate has been fixed at 10%.

There are to other important provisions in the Bill which constitute an important part of the social control measures. They relate to amalgamation and acquisition. The Bill provides that the Controller may prepare a scheme for amalgamation of two or more insurers when he feels that such a step is in the public interest or in the interest of policyholders or shareholders or in the interest of the insurance business of the country as a whole. The scheme proposed will be placed before the Central Government, who will approve it finally. The Joint Committee have now provided that such a scheme should have the consent in writing of the transferee insurer.

Where an insurer has been persistently failing to comply with any direction given to him by the Controller, or is being managed in a manner detrimental to the interest of policyholders or shareholders of the public interest and further, where the public interest or the interest of the policyholders or shareholders require such a step, the Government may, by notification, acquire the insurer and pay compensation. An appeal to a Tribunal is available to an insurer who feels that the compensation is inadequate.

I should mention two other important changes which have been made by the Joint Committee. The Bill as originally

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introduced made certain provisions of the Insurance Act applicable to the general insurance business of the Life Insurance Corporation and of the State Governments. The Joint Committee decided that certain other provisions should also be made applicable to them. Mainly, these are section 3A relating to renewal of registration, section 40C relating to restriction on expenses of management and section 101-A requiring compulsory cession of reinsurance to the approved reinsurers. Further, section 3 relating to registration, without which renewal of registration is meaningless, and section 40-A, which is already applicable to the Life Insurance Corporation, have also been made applicable to State Governments. Thus, the general business of the Life Insurance Corporation and of the State Governments would also be subject to all the regulatory controls which are imposed on the insurers.

It was brought to the notice of the Joint Committee that the Payment of Bonus Act, 1965 would need some amendments in relation to the application of that Act to employees of general insurance companies. The Committee was assured by Government that clauses 14 and 41 of the Bill would not be brought into force until the Payment of Bonus Act is suitably amended in relation to insurance employees, and I would like to reiterate that assurance here also.

With these words, I beg to move that the Report of the Joint Committee be taken into consideration.

**MR. DEPUTY-SPEAKER :** Motion moved :

"That the Bill further to amend the Insurance Act, 1938, so as to provide for the extension of social control over insurers carrying on general insurance business and for matters connected therewith or incidental thereto, and also to amend the Payment of Bonus Act, 1965, as reported by the Joint Committee, be taken into consideration."

There are some amendments for circulation. Are they being moved ?

**SHRI GEORGE FERNANDES**  
(Bombay South) : I beg to move :

"That the Bill, as reported by Joint Committee, be circulated for the purpose of eliciting opinion thereon by the 15th February, 1969." (1)

**SHRI SHIVA CHANDRA JHA** (Madhubani) : I beg to move :

"That the Bill, as reported by Joint Committee be circulated for the purpose of eliciting opinion thereon by the 1st February, 1969." (2)

**SHRI RAMAVATAR SHASTRI**  
(Patna) : I beg to move :

"That the Bill, as reported by Joint Committee, be circulated for the purpose of eliciting opinion thereon by the 1st March, 1969." (3)

**SHRI VISHWA NATH PANDEY**  
(Salempur) : I beg to move :

"That the Bill, as reported by Joint Committee, be circulated for the purpose of eliciting opinion thereon by the 30th March, 1969." (15)

**MR. DEPUTY-SPEAKER :** The question of time was raised. The time allotted for this Bill is five hours. Of course, it is in my discretion to extend it by half an hour. The B.A.C. has now decided that if there has to be any extension of time, the matter should be referred back to the B.A.C. In this particular case, it is natural that hon. Members want to scrutinise very closely this important legislative measure. It is true that sometimes I have to apply guillotine for want of time and I do not feel quite happy to do that. Often times, Shri Lobo Prabhu protests against it. I have taken note of it. So, on such occasions when such important legislative measures of this nature are before the House, the best thing would be for the representatives of the various parties in the B.A.C. to move and get extension of time if they feel that the time allotted is inadequate.

Now, regarding the five hours that have been allotted for this measure, I would suggest...

**SHRI S. S. KOTHARI** (Mandsaur) : 5½ hours.

MR. DEPUTY-SPEAKER : Only 5 hours. That  $\frac{1}{2}$  hour has no meaning.

So, I will allocate 2 hours for general discussion, 2 hours for clause-by-clause consideration and 1 hour for third reading.

SHRI S. S. KOTHARI : 2 hours is very little.

MR. DEPUTY-SPEAKER : I am not in a position to extend the time. I am allocating time as it is available. 2 hours for general debate.... (Interruptions)

श्री जार्ज फरनेंजीज : उपाध्यक्ष महोदय, आपने कहा है कि आपके अधिकार में आष घण्टे तक का समय बढ़ाना है और इससे ज्यादा अगर बढ़ाना हो तो बिजनेस एडवाइजरी कमेटी में जाना पड़ेगा। मेरा निवेदन है कि वहाँ अवश्य इस बात को ले जाया जाए और इस वक्त हम तीन घण्टे जनरल डिसकशन के लिए रखें और अगर समय कम पड़ना है तो बिजनेस एडवाइजरी कमेटी में कल सुबह इस मामले को लिया जा सकता है।

MR. DEPUTY-SPEAKER : In case it is not extended by the Business Advisory Committee—I have to make provision for that— $2\frac{1}{2}$  hours for general debate and we will have just half an hour for final reading.

SHRI S. S. KOTHARI : Let us have 3 hours,  $1\frac{1}{2}$  hours and 1 hour respectively.

MR. DEPUTY-SPEAKER : There are 98 clauses—nearly 100 clauses—and quite a number of amendments. It is very difficult for me.

SHRI S. S. KOTHARI : We must get full time. Let us go to clause-by-clause and see what is the position. Then you can cut the time for third reading.

MR. DEPUTY-SPEAKER : You cannot speculate on time. You can speculate in other markets but not on time. So, it is final,  $2\frac{1}{2}$  hours for general debate.

SHRI S. S. KOTHARI : Please do not apply guillotine in any case.

SHRI C. C. DESAI (Sabarkantha) : Mr. Deputy-Speaker, Sir, while we sympathise with the Deputy Prime Minister and the Minister of Finance for his desire or intention to enforce discipline in the general insurance industry in the private sector, I am afraid, we are not in a position to support the Bill as it has emerged from the Joint Committee and as it is now under consideration of the House.

14.48 hrs.

[Shri R. D. Bhandare in the Chair]

This Bill was an outcome of the demand or the pressure from the hotheads of the Congress Party (As Hon. Member : Young Turks.), the Young Turks, who got apparently a ten-point resolution or something of that kind passed at a meeting of the AICC at the fag-end of that session in the absence of senior members of the Party. That became a Bible for the Government or for the Congress Party.

There were three important provisions of that resolution, namely, nationalisation of banks, nationalisation of general insurance and abolition of the privy purses. We already know what the fate has been about the nationalisation of banks. It was not accepted by Government and they brought forward a so-called hybrid measure, mongrel called social control of banks, the main object or the main effect of which was merely to make general managers of banks chairman of the banks and to put certain restrictions on loans and advances to be given by banks to concerns with common directors. That was all that was meant or envisaged in this programme of nationalisation or the so-called social control of banks.

Then, there was the demand for social control of general insurance. I can understand to some extent the demand for nationalisation of banks, although I would not agree with that, but I just see no justification for this demand or clamour for nationalisation of general insurance. Actually, general insurance is more than half nationalised. With the nationalisation of life insurance in 1960, I believe, a substantial portion of general insurance came under nationalisation. There was the big company, Oriental Fire and General, which

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was a subsidiary of Oriental Life Insurance, and automatically with the nationalisation of Oriental Life Insurance, the Oriental Fire and General Insurance Company also became a nationalised company. There are many other smaller insurance companies which became nationalised. In addition, the Life Insurance Corporation is now doing direct general insurance business.

So, between the two, that is, between the Life Insurance Corporation and the nationalised general insurance companies, they now have a major portion of the general insurance business. In other words, in short, general insurance is more than half nationalised already and, for whatever is left over, if people think that it has got substantial resources, it has got much funds at its disposal, which should be utilised towards other purposes or towards what they call public purposes or over which they can have control, I should say these funds are comparatively very small and do not have any appreciable effect on the investment in the country. Hence this cry for nationalisation is just mere name; it has become a catch-word with these people. That is all. They cry for nationalisation, whether it has any effect, whether it is meaningful or whether it has any significance in the economy of the country or not.

MR. CHAIRMAN: You can give figures to argue your point.

SHRI C. C. DESAI: I have not got the figures now. When I was a Member of the Life Insurance Corporation—at that time, the Life Insurance Corporation was beginning to go into general insurance—the then Joint Secretary told me that within a few years, they would outstrip general insurance business of the private sector. So, if there is need for reform in general insurance business, it should be made more applicable to the Life Insurance Corporation and to subsidiaries of the Life Insurance Corporation. On the other hand, we just heard a catalogue of powers which are going to be extended to this nationalised sector of general insurance business. Only a few clauses, in a niggardly fashion, are going to be applied. Why should not the whole Act be applied? What is sauce for the goose should be sauce for the gander.

There is no reason why any discrimination should be made between the private sector and the public sector in the matter of control measures.

It is my experience and, I am sure, it will be the experience of many of us here, that whatever may be their faults, the management in the private sector is far more effective, far more efficient and far more profitable than in the public sector. As a Member of the Committee on Public Undertakings for the last 18 months or so, I can say, without fear of contradiction, that the experience of the management in the public sector is very sad indeed. Out of a total investment of over Rs. 3000 crores, we do not have even 1 per cent return. But the Finance Minister says that so many concerns are making profit. In which concerns are they making profit? In a concern like the State Trading Corporation where they are encroaching upon the trading activity of the country, they are making profit. What I want to know is whether they are making profit in industry and in concerns like Heavy Engineering Corporation, Hindustan Steel Ltd. and many other such companies. It is no use giving figures that this is the total profit earned by the public sector undertakings. We have the experience of the public sector undertakings. It seems to me surprising why the Finance Minister who himself is conscious of the shortcomings and the handicaps or the difficulties of the public sector undertakings should bring in a measure extending the scope of the public sector.

As regards this so-called social control, in my opinion, in my judgment, social control is much worse than even nationalisation. If I were in-charge of general insurance industry, I would have preferred nationalisation to this so-called social control which is nothing but nationalisation without payment of compensation. It is nothing but expropriation. This social control is just sheer expropriation. The Controller of Insurance has got every power on earth to do and undo things. He can either appoint or remove or give his approval to either the principal executive or the principal or the whole-time director and can do so many other things. He is just, you might call, the great Moghal of the insurance business. This is social control,

The Government does not acquire the shares of the insurance companies. They have no money to pay compensation. The one reason why, I suppose, the Finance Minister feels shy of the straight course of nationalisation which was being pressed upon him by Young Turks is the depleted Treasury which he has inherited after 20 years of Congress rule in administration.

He cannot pay compensation and, therefore, he could not think of nationalisation. That is the real secret why the Finance Minister did not accept or did not go ahead with the programme of nationalisation. So, he thought of this social control whereby he gets all the control without having to pay compensation, without having to have the responsibility of a shareholder.

In any company, in any corporate body it is the right and the privilege of the shareholders to appoint the Directors, the Chairman and the other principal functionaries. Here, in this case, the Government is not a shareholder; they have not got even a pie worth of share in any of these insurance companies; they are not in the public sector; yet, the Controller of Insurance will have the power, or rather has been given the power, to approve first the appointment of and later on if it comes to that, to remove, any director, any whole-time director or principal executive. These are the functions which ought to have been attached to the shareholders, to the owners of the Company and should not have been appropriated by the Government without having to pay compensation or without having to go through the process of acquisition of the company.

Then, there is another drawback. If the general insurance had been nationalised—that would have been a straightforward course compared to social control—these companies would have become what you might call “public undertakings” and then they would have come under the control and supervision of Parliament through the Committee on Public Undertakings. But here, under social control, they will not be public undertakings and so, they cannot come under the purview of Parliament; they are being managed or would be managed and controlled by an officer sitting in the Ministry acting under

the directions and instructions of the Finance Minister.

They talk of utilisation of funds for public purposes. What is our experience? It is a very plausible and a convincing slogan to speak of. The other day only we heard that, after the imposition of social control on banks, the Finance Minister advised or asked, whatever it may be, the Punjab National Bank to advance a large sum of money to an industrialist who was purchasing shares of one of the leading steel companies in the country, and but for this facility there would have been a crash on the part of that particular gentleman, who was speculating on the business. He was saved by this facility given by the Finance Minister acting under social control. If that is going to be the way in which funds are going to be utilised after social control, then I am afraid, these friends of ours who think that by social control we will have control over the funds of insurance companies, are very much mistaken; by this, they are only placing another weapon in the hands of the Government to utilise the funds as they like. These was a hue and cry over that particular transaction of the Punjab National Bank the other day, and I have no doubt that a similar situation will arise when the funds of the general insurance companies pass into the hands, or under the control, of the Controller of Insurance.

15.00 hrs.

Now, Sir, the hon. Minister said that the Bill contains the germs of a amalgamation. At the same time, I do not understand why there should be this tenderness for what is called, the small insurer, as exhibited by the fact that in the Joint Committee the fixed deposit of 20 lakhs has been reduced to 10 lakhs for companies doing less than Rs. one crore of business. And the reason given for that is this. I refer to clause 6 of the Bill and the provisions therein. Clause 6 has been amended so as to require a deposit of only ten lakh of rupees in the case of insurers whose gross premium income does not exceed Rs. one crore in any years. The object of the amendment is to avoid undue hardship to small insurers. Now, I have nothing to say against small insurer or the small man or anything of

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that kind. But I would say that the tenderness for the small insurers is something which is misplaced and you will appreciate this point if you see the record of the small insurers. We all know the abuses in the general insurance industry in the private sector such as rebating and investing to suit the requirements and the finances of the proprietors of the managements and there are various other ways in which the thing is managed. If we have to remove or eliminate these abuses of general insurance in the private sector such as rebating and the investment of funds and so on, it is much better that we shall have to deal with larger insurance companies where the supervision is much easier rather than several small insurers, the activities of which go unnoticed, because they are too small, and thus they set the standard of these malpractices and abuses. That is what we should be after rather than merely reducing the deposit. If an insurance company doing Rs one crore of business is not able to set aside, set apart, even Rs. 20 lakhs for a number of years, there is something radically wrong with that company. There is no reason why one should have sympathy with such inefficient companies. In any case if the small insurer goes to the wall, he will be merging or amalgamating with the bigger insurers. This is precisely what the hon. Minister is wanting. On the one hand there is this desire of the Minister of Finance to promote the merger of smaller insurance companies so as to have a few larger but more responsible and more controllable insurance companies. So, all these contradictions are there. On the one hand you have the desire to promote amalgamation or merger and on the other hand you encourage smaller insurers so that they do not merge, they do not have to amalgamate. I do not understand this. Actually the original provision in the Bill which went to the Joint Committee was more logical, was much better than what has emerged from the Joint Committee.

Then, there is another provision to which I wish to refer, namely, about the registration of surveyors and loss assessors. The Bill provides that a man must have 7 years experience of working as a loss

assessor or surveyor before the promulgation of the Act, before he could be registered.

Seven years' experience is too long. Actually, this will be once and for all because once a person is refused registration on this occasion he will not have another chance of getting registered. Therefore, by persisting in this provision, Government will be putting out of business and out of trade a lot of people who have rendered good service and who have proved themselves to be efficient surveyors and loss assessors and who have every right to follow their profession uninterfered with or undisturbed, and I do hope that the amendments which have been proposed by various Members reducing this period of minimum qualification from 7 years to three years or five years would be considered favourably by Government for acceptance. I hope that when the time comes, the hon. Minister will see the justice and reasonableness and appropriateness of these particular amendments and I hope he would be good enough to agree to an amendment of this provision.

There is another provision in regard to the agents' commission which seeks to reduce the commission from 10 to 5 per cent or something like that. I would like to submit that this commission is not an unearned income or it is something for nothing. It is remuneration for service rendered. One of the most important things in general insurance is to run after people and get to know their difficulties and so on. The man has not only to go around to get business but he has got to know all the people, find out what their difficulty is, talk to the insurance company and get the claims settled properly. Various procedural formalities are involved which do take a lot of time energy and expense on the part of the agent. Therefore, it is a retrograde step and it is a misnomer to have thought of reducing the agents' commission. Thereby Government are not reducing really the burden on the insurer or on the insured. I hope that again when the time comes, the hon. Minister will take a reasonable view and agree to the suggestion to restore the agents' commission which is very necessary.



In regard to the advisory or consultative committees, I do not know how they are going to function. We know these so-called informal consultative committees in Parliament which have been objected to by all of us and in fact by all parties. I do not know whether this will also be another consultative committee on the same lines. If it would be on the same lines, it would mean that the Controller of Insurance can do what he likes; he can reject the advice given by the advisory committee; he may not put any matter also before it. Why have this farce of a consultative or advisory committee? Why not leave it to the Controller of Insurance to do what he likes? And let him be responsible to the Ministry which is responsible to Parliament. Why have this farce of consultation when the consultative body is nothing but a rubber stamp on what the Controller of Insurance, that Grand Moghul of insurance, wants the committee to do? I am surprised why Government should come forward with a proposal of this kind which is so preposterous. They want a consultative committee but that committee has no powers whatsoever and its advice could be disregarded or rejected and it could be convened or adjourned by the Controller of Insurance as he likes.

I agree with Shri Humayun Kabir that the chairman of all these consultative bodies should not to be somebody from official team, and it should not be the controller of insurance. My hon. friend has quoted the precedent that we have in Parliament of a Minister not being the chairman of Joint Select Committee of Parliament. Let the controller of insurance be there as a member; his advice will be taken into account, but let the person who regulates the proceedings and conducts the proceedings be an independent person; let him be nominated if necessary by Government, but let him not be the controller of insurance. I say this because I strongly feel that we should keep this principle in view that the man who is directly concerned with the administration should not also be the chairman of the committee dealing with the particular subject.

**SHRI HIMATSINGKA (Godda) :** Sir, I support the Insurance Amendment Bill.

The Joint Committee has made a number of amendments and improved a number of clauses that were contained in the original Bill. I generally approve of the suggestions and clauses that have been introduced, but I have some suggestions as regards the advisory committee to which my hon. friend Shri C. C. Desai has made a reference. The suggestion seems to be that the Controller may be a member there but he should not be the chairman. It will be found from the Bill that the controller is the chairman, another Government officer will be the deputy chairman and the secretary will also be a Government officer.

So practically it will be very much controlled by government officers and the other members elected by other insurance companies will be there merely to advise. Therefore, I feel that the advisory committee should have a little more power, the suggestions that they give should have a little more weight and the Controller should not have the power to veto the suggestions made there.

The deposit that has been suggested to be made by insurance companies is welcome, because that will be a measure of security for the policyholders and others. The suggestions made as regards investments by general insurance companies also are on the right lines. A certain discretion has also been given to invest to a certain extent, about 25 per cent, in securities which may not fall in the approved items in the Insurance Act. Sec. 27B provides for the kinds of securities that may be available and in which funds of general insurance companies may be invested.

I do not know why Shri C. C. Desai criticised social control. I do not know if he prefers nationalisation to social control, because if nationalisation of general insurance takes place, it will be a very bad thing, because after all, not much funds will come into the hands of Government; at the same time, it is a very risky business and there will be a lot of scope for malpractices. I am, therefore, glad Government have thought it fit not to contemplate nationalisation.

**SHRI C. C. DESAI :** I am not for nationalisation at all. I said nationalisation was better than this wretched social control,

**SHRI HIMATSINGKA :** The trend of his argument indicated to me at least that he would have preferred nationalisation to social control. Now that he has said that he is not in favour of nationalisation. I am glad. After all, as he himself mentioned, nationalised industries are not doing very well, and unless Government take very active steps to see that those industries in which about Rs. 3,000 crores of public money have been invested give a better return, they should not think of any further nationalisation—unless those already nationalised are properly managed and begin to give returns. I am glad also that Government are active in that respect and are trying to take proper steps by putting proper persons in charge of these nationalised industries.

**SHRI C. C. DESAI :** Like Shri Malaviya ?

**SHRI HIMATSINGKA :** I do not know ; I cannot say. I am told he, Mr. Desai, is an old friend of Shri Malaviya's. But I think Government are thinking of better men who know their job and will be in a position to manage them better. In this connection, they are also interviewing persons experienced in running industries, and are trying to appoint them to the managements of these industries. Government have now enough information about the improvement required to be effected in these industries.

As regards the other provisions suggested regarding security of policyholders and fair premium rates, they are very necessary.

As regards insurance agents' commission, I feel that the smaller agents will be in great difficulty because the premium in small cases of fire insurance etc. will be very little.

**श्री बेबेन सेन (भासनसोल) :** सभापति महोदय, शायद सदन में कोरम नहीं है ।

**MR. CHAIRMAN :** The bell is being rung—Now there is quorum. He may proceed.

**SHRI HIMATSINGKA :** I was saying that in Clause 18 the commission that is payable to insurance agents has been

reduced. Whereas previously on a policy relating to fire the commission was 15 per cent, now it is proposed to be reduced to five per cent. So also, in the case of marine insurance, it is proposed to be reduced from 10 to five per cent. I feel that the commission may be fixed on the basis of the premium that is payable, and in cases where the premium does not exceed a certain amount, that is to say in cases of small insurance policies effected by smaller insurance agents the rate may be a little higher than what may be payable where the premium is very heavy, for instance in case of insurance for Rs. 1 crore or more where the premium will be a little more. If the rate of commission is based on the amount of premium of individual policies, I think that will be fair and will meet the needs of the smaller agents, and I feel that the hon. Minister should consider the case of increasing the commission payable to agents where the premium does not exceed a certain amount in the case of fire or marine or miscellaneous insurance. That will meet the demands of the smaller agents and it will also not affect the scheme adopted in the Bill.

I feel that the provisions that have been made as regards settling the amount of compensation in case of nationalisation are almost the same as in the case of acquisition of banks in case they do not observe the directions of the Controller that were approved by the House. I feel that they are on the right lines. I therefore generally support the measure and I hope that the hon. Minister will take into consideration the question of the commission payable to the smaller agents so that they may be helped. With these remarks I support the Bill.

**SHRI S. S. KOTHARI (Mandsaur) :** The Insurance Amendment Bill, as it has emerged from the Select Committee, is a far better measure and I should take this opportunity to congratulate the Deputy Prime Minister for the flexibility he showed in the Select Committee in that he accepted a number of amendments and as a consequence thereof, the Bill has improved considerably.

Before I take up a critical analysis of certain provisions of the Bill, I should like to emphasise certain facts with regard to the scheme of social control. I am not

one of those who are cynical about this scheme. Although improvised as an expedient to meet the demand for the nationalisation of insurance, I think the scheme has great potentialities, if it is properly administered because the State secures overall supervision and control over investment, while private management, which is normally associated with a high degree of operational efficiency still retains the control. As we have seen, the operation of public sector enterprises leaves much to be desired. Many of them are inefficiently operated and some of them have almost reached the nadir in mismanagement. Therefore, it appears that social control would work more to the advantage of public interest than outright nationalisation. For nationalisation the funds that we want are not there. The funds are not available even for having a proper Fourth Five Year Plan. Considering all these factors, I favour social control.

But I would like to submit that some of the provisions in the Insurance Amendment Bill are of questionable merit. The Government has overstepped itself in giving draconian powers to the Controller of Insurance. If excessive powers are given to a bureaucrat, what would happen is that his interference may lead to deterioration in operational efficiency and sluggishness in the crucial task of taking decisions. That is where the Government has to be careful. The scheme of social control can founder as much on account of bureaucratic authoritarianism, as on account of laxity in control. That is an important point I would like to emphasize. Back seat driving by the Controller is no substitute for shaky driving by the insurers themselves.

The Controller has been clothed with almost unlimited powers. He can issue directions with regard to a number of issues, particularly he can appoint the Directors and principal officers. He can prohibit certain transactions. Besides, for opening new branches, the Controller's sanction is necessary. He has also the power to close uneconomic foreign branches, and power to search premises, inspect, cancel registration and apply for winding up. The conclusion that emerges is that the Controller may prove to be the pre-

ceptor, Government and pontiff, all rolled into one.

Now the Government may turn round and tell this House that a consultative committee is provided. The Consultative Committee, in my opinion, may perhaps prove to be just an eyewash, because the Consultative Committee is to have the Controller as its Chairman. The adviser is to advise himself and the vote is with the Controller. I do not understand this arrangement. There are 4 or 5 members nominated by the Government to the Consultative Committee. Why should not the Government nominate one of those members to be the Chairman? After all, the Government can remove the Chairman if it finds that the Chairman appointed out of the members is not functioning properly. There would be periodical reconstitution of the Committee. Secondly, this Consultative Committee should be called the Advisory Board of Insurance and it should be clothed with sufficient powers. Its decisions should have validity and they should be final and binding upon the Controller. That is the only way in which the Controller's powers or wings would be effectively clipped. At least some constraints should be placed on the Controller, whereby it can be ensured that he would operate fairly reasonably and he would not ride rough shod over the decisions of the Consultative Committee.

A provision has been made in the Bill with regard to appeal to the Central Government in respect of matters where the insurer may feel aggrieved with the Controller's decision. Here again the decision rests with the Central Government. Why should not the decision be left to an Appellate Tribunal constituted for the purpose? Otherwise, sitting in Delhi, the Central Government would probably be guided by the advice given by the Controller himself.

He is again a colleague of theirs. In that event, it is poor justice. What fair treatment can the insurant expect? I would submit to the Minister to consider this aspect and provide for an appellate tribunal against the decision of the Controller. Then only it can be ensured that the provision for appeal would be effective, as the Government wants that it should be

[Shri S. S. Kothari]

effective; I accept their *bona fides*, of course.

In the Scandinavian countries,—Sweden, Denmark and Norway—various powers of supervision and control have been conferred upon the Government with respect to insurers; the powers extend to legal, financial, technical and economic matters. The objective is to safeguard the interest of the policy-holders and to ensure the performance of contracts properly, but may I submit that the powers given to the Controller of Insurance under this Bill are far greater than the powers taken by the Government even in these Scandinavian countries, where there is rigorous control and supervision over the insurance industry.

There is a provision which I would request the Minister to kindly re-consider on humanitarian grounds, and that is, if the manager or principal officer is removed by the Controller, he becomes *parsona non-grata* with the Controller and the officials. That means, any other insurance company probably would be chary of appointing him. In that event, he may have difficulty in finding a job, and then, if the Bill provides that he is not to get any compensation, that person's life may be ruined. I would suggest that the Controller may have a final say with regard to the quantum of compensation, but let the provision be there in the Bill, that subject to the Controller's sanction an insurer may give reasonable compensation when an officer is removed by the Controller on whatever grounds it may be.

With regard to the investments, fresh restrictions have been placed. 75 per cent of the investments have to be in approved securities. May I submit that this provision may have adverse effect upon investment in equities of new industrial undertakings? It is common knowledge that many insurance companies have been subscribing to the shares of new industrial undertakings, and the *quid pro quo* is that they insure their property with the company; it is of course besides the insurance policy. That is the normal process, but after this new provision is enforced, even if the insurance companies want to do so, they may not be able to take up

shares in these new companies, because of the 25 per cent limit which may be covered by the existing shares. In that event, if they want to take up shares, they cannot take them up in the new investment in new companies. I would, therefore, request the Minister to provide that in the Bill itself, equity shares in the new industrial undertakings as approved by the Government or the Controller may be treated as approved investments; so that they can be included in the 75 per cent approved limit and investment in new equity shares and their under writing may not be adversely affected on this account.

With regard to the expenses of management, the Bill provides, or rather it codifies, the existing code of conduct which the insurers have been informally or voluntarily following.

MR. CHAIRMAN: The hon. Member's time is up.

SHRI S. S. KOTHARI: I require full time, Sir. Kindly bear with me for a few minutes.

MR. CHAIRMAN: You have already taken 10 minutes.

SHRI S. S. KOTHARI: Kindly bear with me. I am the only spokesman for my party. It is a very important Bill and I am making good points, Sir.

With regard to the expenses of management, I would submit that these expenses were decided in 1950. Since then, the costs have gone up and the Controller has been permitting higher expenses with regard to the computation. Therefore, this schedule should be revised upwards.

The Controller must with a firm hand control rebating and other malpractices. The insurance industry must see the writing on the wall and impose self-discipline. If they fail to do so, the Controller must come down on them with a heavy hand and see that rebating is checked. The public sector companies also have been going along the same slippery path of rebating and have failed to provide correction leadership to the detriment of the insurance industry in this country. I suggest

that at least five of the leading private companies and the public sector insurance companies and the LIC, of course, must sit together and find out ways and means of ensuring that rebating is discontinued and this creation of black money is put an end to.

So far as the surveyors are concerned, let it not be a case of repetition of history. Is every Bill of this Government going to deprive a class of people of their livelihood and drive them to suicide? The case of the goldsmiths is fresh in our minds. I submit that all those persons who are conducting survey work on the date of the passing of this Bill should be given licences. For issuing fresh licences, the Government can be as strict as it pleases.

Government should ensure that the Controller carefully looks into the operations of the foreign mutual insurers. Their dealings, it appears, lead to the money earned out of Indian insurers being used for the benefit of insurers abroad. This is a very serious matter. It leads to loss of foreign exchange and it should be carefully enquired into. An embargo must be placed on the functioning of foreign mutual insurance companies and they should be banned. The operations of other foreign insurers should also be closely watched, so that it is ensured that foreign exchange is not lost. The activities of the Re-insurance corporation must be reinforced, if necessary another corporation, for underwriting reinsurance business, so that the loss of foreign exchange on account of insurance treaties is minimised. Actually, facultative treaties should be encouraged on a reciprocal basis, so that the premia come back in exchange for the premia ceded from this country.

The reduction in fire insurance premium rates, as recommended by some people should be done with caution and circumspection. It is a two edged weapon. Fire insurance business profits provide the sustenance for general insurers, because marine and motor insurance are not profitable. If fire insurance premium rates are cut down, the consequence would be that some insurers would mean loss and go bankrupt. Therefore, the Controller should be careful in exercising his veto power in the advisory tariff committee,

and he must ensure that the premium rates are not reduced to an uneconomic level.

**SHRI VIKRAM CHAND MAHAJAN** (Chamba): Sir, I rise to support the Bill with certain reservations. The object of the Bill is to reduce the many malpractices in the present system. What happens is that the present managing directors or persons who control insurance companies try to make the maximum profit, without any regard to the interests of the company. They even do not declare dividends for their shareholders. Even when policy holders come for a claim, the people who are in charge of that particular department ask for a share in the policy amount.

Now, what we have to see is how to reduce these malpractices. The ideal state would be to nationalise the whole thing. But in nationalisation, we need a strong, efficient and honest service. We have the present state of affairs because of lack of this type of service and also looking at the present industries run by the government as public undertakings, we find that we lack that particular class of service. Therefore, in a hurry to achieve the ideal state, it would be wrong to take the step for which we are not prepared. Therefore, this is a measure which is a step towards nationalisation and ultimately the nationalisation should be there. But, till we achieve the strong, efficient and honest type of service, I would submit, Sir, that social control is a good measure.

Now, there is a shortcoming which I want to point out. There is a machinery provided for the control of insurance companies; there is also a machinery provided to have the overall control of the companies by the Controller. Here are certain conditions. There is a board of directors normally appointed to control the company. But, what we find is that in every board, the representation is by the persons who control the companies, that is, either the policyholders or the old board of directors and their nominees.

We have reached a stage where there is necessity for the participation of workers also in the management. Now the best class of industries are those which are run by government where this particular step should be taken. But, what we find is

[Shri Vikram Chand Mahajan]

that in no government undertaking, the workers are given the right of participation in the management. What I submit is that at least this should be the first Bill where the right should be given to the workers to be members of the board of directors. Neither the worker nor the policyholder for whose benefit the entire insurance business is run has got the right in the board of directors. So, what I submit is that a proper amendment should be made so that on the board of management the worker is also represented as also the policyholders.

Now, there is an Advisory Council which controls all the insurance companies. Even there, there is no such provision. I would like to read the relevant provision, that is, 64U. It says :—

“With effect from the commencement of the Insurance (Amendment) Act, there shall be established a Committee, to be called the Tariff Advisory Committee, to control and regulate the rates, advantages, terms and conditions that may be offered by insurers in respect of general insurance business.”

Now, in the Advisory Committee, the members are the Controller of Insurance, a senior officer of the Controller nominated by the Controller and not more than ten representatives of Indian insurers elected (in their individual capacities) and not more than four representatives of insurers incorporated or domiciled elsewhere than in India. The Secretary to the Advisory Committee shall be an officer of the Office of the Controller. Now, this body is again controlling all the insurance companies. May I ask why the employees of the insurance companies are not nominated here? Why should they be excluded? These are the persons who run the business. You should give a personal touch to the entire thing and see that the worker is given a feeling of participation. What you have is the capitalistic system which is already prevalent here in the private sector industries.

What I would submit is that at least in the Advisory Committee which is purely a consultative committee controlling the entire business, you should have representatives of the workers, employees and the

policyholders because, the policyholder is affected by every decision wherein he should have a chance to represent at some place. This is a place where you can also give him a chance. Thirdly, you have appointed one person of the Office of the Controller whose decisions are final in many things. His decision is final for amalgamation. In the matter of a particular transaction why do you want to give this right to one individual? Why not have a sort of a Committee where all interests are represented and where they take a decision collectively? Then it would be a more judicious decision and it will cover all the interests. Therefore, the basic lacuna in the machinery that you have provided for social control is that you have entirely excluded the employees and policyholders from this machinery with the result that it becomes social control more in the nature of purely governmental control. The interests of the insurers will be looked after by them because they normally belong to the wealthier class and they really control the whole show. Government will not have the whole picture before them for arriving at a decision because the other interests are not represented there.

Then, it is provided that in the case of amalgamation you have the right to vary the conditions of service to the detriment of the employees. The object of social control is not to harm the interests of the employees but to give the nation a better service in the form of insurance business so that the interests of the people are safeguarded. In the process a class of employees should not be harmed, because they are also part of the national building machinery. If we harm the interests of the employees, we would in fact be harming a class of people who are running the entire system. Therefore, in any form of social control the conditions of service of the employees should be made better and not worse.

Then, this Bill provides for control by the Controller over co-operative societies also. Already, under the various enactments, the co-operative societies are controlled by a number of officers. Since the greater the number of supervisory staff, the greater the hindrance, if your object is to encourage the co-operative movement the

best thing would be to have the least interference by the supervisory staff. Also, the greater the number of supervisory staff, the greater the chances of corruption. I remember the incident in a booking office of a railway station where a customer was told that the normal tariff is so much per packet but four annas extra will be charged which is the share of the employee. When this matter was reported to higher authorities, government appointed the anti-corruption staff. When he again went to book some packets, he was told that the extra amount that he will have to pay will be eight annas. On being asked why the extra amount has been raised, he was told that four annas is their share and the other four annas go to the anti-corruption staff. This shows that more the number of supervisory staff, the greater the scope for corruption. So, the number of supervisory staff should be reduced to the absolute minimum.

Of course, they should be well-paid but their number should be reduced. If you bring co-operative movement under dual control, it will amount to killing it. Co-operatives are primarily meant for the poorer sections of the people. If you increase the supervisory staff, and consequently the expenditure, of the co-operatives it is the poor people that will ultimately suffer. The rich people will never suffer, anywhere, whatever the nature of the legislation. So, if your object is to help the weaker sections, then you should reduce legislation and supervision to the minimum.

Then, bonus should be paid to all the employees. The difference between maximum and minimum bonus should not be so much as we have in the case of salaries. Now what happens is that whenever any increase in dearness allowance is given, while a lower staff gets Rs. 5, the highest paid officer gets Rs. 100, even though the necessities of life would be the same for both. Both of them would be needing the same quantum of food and other necessities and yet you give more DA to a higher salaried person and a lower rate of DA to a person who is drawing less salary. Similarly, that happens in the case of bonus. The higher-paid staff is given greater amount of bonus and the lower-paid staff is given a smaller amount of

bonus. It can go well in a capitalist economy, but if you are professing socialism it should be practised in these things also.

श्री राणावतार शास्त्री (पटना) : सभापति महोदय, बीमा संशोधन विधेयक, 1968 पर हम यहाँ विचार कर रहे हैं। यह विधेयक संयुक्त समिति से स्वीकृत हो कर पुनः इस सदन में विचारार्थ पेश किया गया है। सरकार ने इस विधेयक को सामाजिक नियन्त्रण का चोगा या घाघरा पहना कर सदन के सामने पेश किया है, और उसका यह दावा है कि जो साधारण बीमा व्यवसाय है उसको यह बढ़ाना चाहती है ताकि उसकी प्रगति हो और उसकी तरकी हो। यह उसका मकसद है, लेकिन क्या सचमुच उसका यह मकसद कि इसकी प्रगति हो, यह देहातों में ज्यादा से ज्यादा फले तथा शहरों में इसका प्रसार हो, साथ ही साथ इसके अन्दर जो गड़बड़ी है, भ्रष्टाचार है, भाई-भतीजावाद है, कुप्रबन्ध है, माल-प्रैक्टिसेज हैं उनका अन्त हो इस बिल के जरिये ? मैं पूछना चाहता हूँ कि क्या यह सम्भव है ? मैं समझता हूँ कि यह इस बिल से सम्भव नहीं है। इसका एक ही रास्ता हो सकता है कि जीवन बीमा व्यवसाय की तरह साधारण बीमा व्यवसाय का भी हम राष्ट्रीयकरण करें। यह एकमात्र रास्ता है जिस बात की मांग हमारे देश में तमाम लोग कर रहे हैं। तमाम लोग ही नहीं, कांग्रेस पार्टी जो वित्त तथा उप-प्रधान मन्त्री श्री मोरारजी देसाई की मातृ-संस्था है, वह भी बार-बार यह प्रस्ताव पास कर चुकी है। वे लोग मांग करते रहे हैं कि अग्र साधारण बीमा व्यवसाय की तमाम गड़बड़ियों को खत्म करना है तो उसका राष्ट्रीयकरण होना चाहिये, जैसे बैंकों के राष्ट्रीयकरण की मांग हम लोग करते रहे हैं। खुद 1962 में हमारे मौजूदा वित्त मन्त्री ने साधारण बीमा व्यवसायियों को घमकी दी थी कि उनकी जो माल-प्रैक्टिसेज हैं, उनको खत्म नहीं किया जायगा तो हम आपके व्यवसाय का

## [श्री रामावतार शास्त्री]

राष्ट्रीयकरण कर लेंगे। मगर ऐसा लगता है कि वह केवल धमकी मात्र रह गई।

इसके बाद 12 मई, 1967 को कांग्रेस कार्य समिति ने यह प्रस्ताव पास किया और सरकार से निवेदन किया कि साधारण बीमा व्यवसाय का राष्ट्रीयकरण कर लेना चाहिये। लेकिन अफसोस होता है कि जिस संस्था के वित्त मन्त्री सदस्य हैं, जिसके वे अनुयायी बनने का दावा करते हैं, खुद अपनी मातृ संस्था के फैसलों पर वह अमल नहीं करते। इसका मतलब यह होता है कि उन पर पूंजी-पतियों और मुनाफाखोरों तथा एकाधिकार वालों का शिकंजा है, उन पर उनका असर है। यही वजह है कि कांग्रेस कार्यसमिति के प्रस्ताव को भी वे अमल में लाने को तैयार नहीं हैं।

मैं कहना चाहता हूँ कि केवल कांग्रेस की ही नहीं, सम्पूर्ण देश की मांग है, बीमा व्यवसाय में काम करने वाले कर्मचारियों की मांग है, आम लोगों का मांग है कि इसका राष्ट्रीयकरण करना चाहिए। अगर सचमुच जिन गड़बड़ियों को दूर करने का दावा आपने इस बिल में किया है, और आप ईमानदार हैं...

श्री रणधीर सिंह (रोहतक) : बड़े ईमानदार हैं।

श्री रामावतार शास्त्री : इस व्यवसाय को बढ़ाना चाहते हैं तो आपके सामने एक मात्र यही रास्ता है इस बिल को आप खत्म कर दें और राष्ट्रीयकरण का एक बिल आप इस सदन के सामने पेश करें। तभी जो समस्याएँ हैं उनका समाधान हो सकेगा। नहीं तो जो समाजवाद का ढोल आप आज तक पीटते रहे हैं इसको इसी तरह से आप पीटते रहेंगे और जिस तरह से आपके पहले वाले बिल घोखा साबित हुए हैं उसी तरह से यह बिल भी एक घोखा साबित होगा। यह बिल भी एक खोखला साबित होगा। इस बिल को इस शकल में पेश करके आपने उस नारे के खोखलेपन को

साबित कर दिया है। इस वास्ते मैं चाहता हूँ कि अब भी समय है और इस बिल को विद्वुद कर लें और इसके स्थान पर राष्ट्रीयकरण करने वाला दूसरा बिल पेश करें।

इस बिल के जरिये आपने एक एडवाइजरी कमेटी, एक सलाहकार समिति बनाने की बात कही है। जो विदेशी कम्पनियाँ हैं उन कम्पनियों के भी चार प्रतिनिधि आपने लेने की बात इस में रखी है। 64 यू का जो डी भाग है, उस डी भाग को आप हटा दें। यह बहुत आवश्यक है अगर सचमुच में आप गड़बड़ियों को रोकना चाहते हैं। हो सके तो आप इन चार के स्थान पर चार पालियामेंट के मेम्बर को रखिये। क्यों आप पालियामेंट के मेम्बर को उस कमेटी में रखने से डरते हैं? मेरा प्रस्ताव है कि आप कम से कम चार पालियामेंट मेम्बर को इस एडवाइजरी कमेटी में रखें जिन में से एक राज्य सभा का हो और तीन इस सभा के हों। इतना ही नहीं मैं यह भी चाहता हूँ कि जैसा अभी मेरे एक कांग्रेसी दोस्त ने कहा है कि वर्कर्स को, कर्मचारियों को भी मनेजमेंट में, प्रबन्ध में हिस्सा आपको देना चाहिये। उनको हिस्सा देने की बात तो दूर रही, आपने एडवाइजरी कमेटी में भी उनके प्रतिनिधियों को रखने का कष्ट नहीं किया है। मेरा यह भी प्रस्ताव है कि आप कर्मचारियों के भी कम से कम एक प्रतिनिधि को जरूर रखें ताकि वे आप को बता सकें कि क्या-क्या गड़बड़ियाँ होती हैं कम्पनियों के अन्दर। आप जानते ही हैं कि हम से, आप से, कंट्रोलर से, जितने भी दूसरे अफसर हैं उन सबसे ज्यादा इन गड़बड़ियों की जानकारी, उनको होती है। इसलिये मेरा यह निवेदन होगा कि धारा डी को आप हटा कर आप यह जोड़िये कि उसमें चार पालियामेंट के मेम्बर होंगे और कम से कम एक बीमा व्यवसाय के कर्मचारियों का प्रतिनिधि रखा जायगा। आप इसमें कंट्रोलर को असीमित अधिकार दे रहे हैं। अगर आपने कर्मचारियों के प्रतिनिधि



को रखा तो वह उन पर नियन्त्रण रख सकेगा, उनको दबा सकेगा और उनको मनमानी करने से रोक सकेगा ; जो लोग पूंजीपतियों की चाटुकारिता करने वाले हैं, उनको खुश करने के प्रयत्न करते हैं, उन पर जो लोग हमले कर सकें, उन लोगों की आपकी इसमें व्यवस्था करनी होगी ।

जो एजेंट होते हैं वे बहुत बड़ा काम करते हैं, बहुत कठिन काम उनका होता है । वे देहात-देहात में जा कर बीमे के उद्देश्यों को बताते हैं, उसका प्रचार करते हैं, उसका प्रसार करते हैं । वही सबसे ज्यादा काम करते हैं । अगर वे न रहें तो बीमा व्यवसाय बेमौत मर जायेगा । उनके लिए आपने क्या किया है ? उनको जो पहले कमिशन दिया जाता था उसको भी आपने कम कर दिया है । फायर और मेरीन में पन्द्रह और दस परसेंट कमिशन उनको मिलता था, अब उसको आपने घटा कर पांच परसेंट कर दिया है । यह कैसी विडम्बना है कि जो लोग आपके व्यवसाय को बढ़ाने में सहयोग देते हों, सारा कारोबार करते हों, सारा पैसा इकट्ठा करते हों, उनके साथ इस प्रकार का सलूक आप करें । वे गरीब प्रादमी हैं । उनके बालबच्चे हैं । आपको चाहिये था कि आप उनकी परवरिश का प्रबन्ध करते, अच्छी तरह से उनकी देखभाल करते, उनके बालबच्चों की शिक्षा का सूचारू प्रबन्ध करते लेकिन आपने तो उनका कमिशन ही कम कर दिया है । पहले अगर वह एक लाख का बिजिनेस करता था तो उसको 180 रुपये का चैक वसूल करना पड़ता था और उससे उन्हें 27 रुपये मिल जाते थे पन्द्रह और दस परसेंट के हिसाब से । अब आपने रेट पांच परसेंट कर दिया है अतः उसको एक लाख का बिजिनेस पर 180 रुपये का चैक वसूल करने पर उन्हें केवल नौ ही रुपये मिलेंगे । यह जो कमिशन आपने कम किया है, यह उचित नहीं है । उनके हितों की रक्षा आपको करनी होगी । वना आपका जो व्यवसाय है यह फल नहीं सकेगा । यही लोग हैं जो कि आपके व्यवसाय को फैलाने में सबसे अधिक

सहायक होते हैं । अगर आप अधिक नहीं कर सकते तो कम से कम दस परसेंट तो उनको दें । जो उनको मिलता था उसको कम नहीं किया जाना चाहिये । कम से कम दस परसेंट तो उनको जरूर दिया जाना चाहिये ।

कर्मचारियों के बारे में अब मैं थोड़ा सा कहना चाहता हूँ । आजकल तीन तरह की कम्पनियाँ हैं । कुछ कम्पनियों में तो कर्मचारियों को तनस्वाहा अच्छी मिलती है, कुछ में उनकी माइंट मिलती है और कुछ कम्पनियों में जैसे मद्रास मोटर एंड जनरल इनश्योरेंस कम्पनी है, पायोनीयर फायर एंड जनरल इनश्योरेंस कम्पनी है तथा इंडियन म्यूचुअल जनरल इनश्योरेंस सोसाइटी है, उनमें कर्मचारियों को बहुत ही कम तनस्वाहा मिलती है । उससे उनका भरण पोषण नहीं हो पाता है । आपने जीवन बीमा का राष्ट्रीयकरण कर दिया है और वहाँ पर जो कर्मचारी काम करते हैं, उनकी तनस्वाहों को आप देखिये । उनकी इनके मुकाबले में तनस्वाहें बहुत ज्यादा हैं । लेकिन फिर भी वे लड़ाई कर रहे हैं और आपने तमाम मसले को पंचों के सुपुर्द कर दिया है । लेकिन इनकी तनस्वाहें तो उनसे भी बहुत कम हैं । मैं चाहता हूँ कि इनकी तनस्वाहों को बढ़ाया जाए और खास तौर से जिन कम्पनियों का मैंने नाम लिया है, उनके बारे में तो आप अवश्य विचार करें । मेरी माँग है कि जो कर्मचारी विभिन्न कम्पनियों में काम करते हैं, इनकी तनस्वाहें एक तरह की होनी चाहिये, इनके वेतन एक होने चाहिये, सब को एक समान सहायित्यें मिलनी चाहिये ताकि उन्हें किसी तरह की कठिनाई न हो । मेरा निवेदन है कि जनरल बीमा में काम करने वाले कर्मचारियों के वेतनों को निर्धारित करने के लिए आप एक पे कमिशन विठायें और उसी तरह से विठायें जैसे आप दूसरे उद्योगों में काम करने वालों के लिए विठाते आए हैं । यह बहुत आवश्यक है । तभी यह काम अच्छी तरह से प्रागे बढ़ सकेगा । अगर इस बिल से आप थोड़ा सा फायदा भी उठाना चाहते हैं तो आप

[श्री रामावतार शास्त्री]

इसको करें, वना यह थोड़ा सा फायदा भी नहीं होगा।

अन्त में मेरी मांग है कि पूंजीपतियों के दलाल, उनके समर्थक बनने में आप होड़ न लगाइये। स्वतंत्र पार्टी के लोगों और आप, दोनों में इसमें होड़ लगी हुई है कि कौन पूंजीपतियों की नौकरी कर सकता है, उनका साथ दे सकता है। देश का आप फायदा करना चाहते हैं, देश का आप पुनर्निर्माण करना चाहते हैं, नये देश की रचना करना चाहते हैं तो आप जीवन बीमा के साथ-साथ जनरल इनश्योरेंस का भी राष्ट्रीयकरण करें, इस कारोबार को भी अपने हाथ में लें। पूंजीपतियों की चापलूसी करना उनके तलबे चाटना, उनकी जी हुजूरी करना आप बन्द करें। पूंजीवादी तरीके से काम करके आगे हम नहीं बढ़ सकते हैं। देश को समाजवादी विकास के रास्ते से ही आगे बढ़ना होगा।

श्री विश्वनाथ पान्डेय (सलेमपुर) : इस विधेयक को इस सदन के सामने प्रस्तुत करके राज्य मन्त्री महोदय ने ऐसा प्रतीत होता है कि समाजवाद की तरफ चलने का एक कदम उठाया है। इस विधेयक के उद्देश्यों में यह बताया गया है कि सामान्य बीमा का सामाजिक नियंत्रण हो और उसमें जो भ्रष्टाचार इत्यादि बुराईयाँ हैं, उनको दूर किया जाये और सामान्य बीमा का इसके साथ-साथ संरक्षण भी किया जाए। मैं समझता हूँ कि जिस उद्देश्य को सामने रखते हुए इस बिल को प्रस्तुत किया गया है यदि उसमें उन्हें सफलता प्राप्त नहीं हुई तो उनके लिए यह आवश्यक हो जाएगा कि वे राष्ट्रीयकरण की तरफ अपने को ले जायें, उस और कदम बढ़ायें। उस अवस्था में सामान्य बीमा का भी राष्ट्रीयकरण करने सम्बन्धी विधेयक को उनको इस सदन के सामने प्रस्तुत करना होगा। उसके पहले जो कदम उठाया गया है ताकि जो गड़बड़ियाँ हैं, जो भ्रष्टाचार

है जिस तरीके से धन का और दूसरी सब चीजों का दुरुपयोग होता है, वह दूर हो और इस व्यवसाय के ऊपर समाजिक नियंत्रण हो। मैं आशा करता हूँ कि मन्त्री महोदय का जो उद्देश्य है, उसको प्राप्त करने का सतत् प्रयत्न करेंगे।

जीवन बीमा का राष्ट्रीयकरण करने से अरबों रुपया आप को मिला है। उस धन को देश के विकास में लगाया गया है। इसमें से से हर अंचल में रुपया आप के द्वारा दिया गया है ताकि देश का विकास हो।

लेकिन आप देखें कि सामान्य बीमा का जहाँ तक सम्बन्ध है उसके धन का लाभ अधिकतर उनके हाथों में ही जाता है जिनके हाथों में यह व्यवसाय है। इससे राष्ट्र को उतना लाभ नहीं होता है जितना कि जीवन बीमा के रुपये से होता है। इसमें में कुछ तो विदेशी कम्पनियाँ हैं और कुछ स्वदेशी कम्पनियाँ हैं। स्वदेशी कम्पनियों में भी विदेशी लोग शेयरहोल्डर हैं। विदेशी कम्पनियों के मुख्य कार्यालय विदेशों में है। उनका बहुत सा धन विदेशों में चला जाता है। इसके अनतिरिक्त विदेशी मुद्रा भी बाहर चली जाती है। अगर वह धन देश में ही रहता और विदेशी मुद्रा दूसरे देशों में न जाती तो देश का बहुत कल्याण होता। इसलिए सरकार का यह कर्त्तव्य है कि इस विधेयक को इस ढंग से कार्यान्वित किया जाये कि इस व्यवसाय पर पूरा सामाजिक नियंत्रण रहे, ताकि देश का धन देश में ही रहे।

16.00 hrs.

आग, मोटर, जहाज और अन्य सामान के सम्बन्ध में जो सामान्य बीमा कराया जाता है, उसके संदर्भ में मैं यह कहना चाहता हूँ कि अगर किसी मोटर को क्षति होती है, तो वह बहुत दिनों तक सड़क पर पड़ी रहती है और नुकसान की जांच करने के लिए बीमा कम्पनी की तरफ से कोई नहीं जाता है। इसके अलावा क्षति का उचित रुपया भी नहीं दिया जाता है, जिस से बीमा कराने वालों को अपार क्षति

होती है। मैं चाहता हूँ कि इस विधेयक में उत्तम प्रकार से यह व्यवस्था करनी चाहिए कि अगर कोई मोटर क्षतिग्रस्त होती है, वह मोटर चाहे किसी बड़े श्रादमी की हो या छोटे श्रादमी की और वह ग्रामीण क्षेत्र में हो या किसी कस्बे या शहर में, तो नुकसान की जांच ठीक प्रकार से की जाये। नुकसान की जांच करने वाले कर्मचारियों पर ऐसा नियंत्रण हो कि वे गलत तरीके से वैल्यूएशन न करें, जिससे लोगों का नुकसान हो। इस विधेयक में ऐसी कोई व्यवस्था नहीं की गई है।

सामान्य बीमा में काम करने वाले कर्मचारियों को सब प्रकार की सुविधाएँ दी जानी चाहिए। जो लोग देहात में जा कर बीमे का काम करते हैं, उनके लिए कमीशन बहुत ही कम रखा गया गया है। उस कमीशन को बढ़ाना चाहिए ताकि वे प्रेम से, मेहनत से और कोशिश से सामान्य बीमा को भी देश के गांव-गांव में प्रचलित करें। जिस प्रकार जीवन बीमा की शाखाओं का देश के कोने-कोने में जाल सा बिछा दिया गया है, उसी प्रकार सामान्य बीमा को लोकप्रिय बनाने के लिए उचित व्यवस्था करनी चाहिए और उसमें काम करने वाले कर्मचारियों को भी वैसे ही सुख-सुविधाएँ प्रदान करनी चाहिए।

मैंने और अन्य माननीय सदस्यों ने जो सुझाव दिये हैं, इस विधेयक में उनका समावेश नहीं है। मैं समझता हूँ कि वह समय भी शीघ्र आयेगा, जब राज्य मंत्री महोदय को सामान्य बीमा व्यवसाय का राष्ट्रीकरण करने के लिए एक संशोधन विधेयक लाना होगा और उस से देश का कल्याण होगा।

इन शब्दों के साथ मैं इस विधेयक का समर्थन करता हूँ।

SHRI V. KRISHNAMOORTHY (Cuddalore): Mr. Chairman, Sir, I am really disappointed to note that this Bill has not been improved upon to control the invest-

ment as well as the misuse which has been prevalent before the draft Bill was introduced in this Parliament. With certain interest, our hon. Finance Minister, Shri Morarji Desai, who headed the Joint Committee, has watered down certain provisions more and more, instead of improving upon them. As has been stated in the Minutes of Dissent, some Members have thanked him for accepting some of the amendments for constituting the Advisory Board. It is well known in this country that as long as this Government remains in power, they are not going to deliver the goods to the common masses, to the poor people of our country. (Interruption). I am referring to the Congress Ministers here, at the Centre. They have not properly understood the socialism. They are very much afraid of socialism. They are the protectors of vested interests and as long as Shri Morarji Desai remains here to protect the vested interests and the money-bags, no good to the common masses will be done. My party believes that all the institutions which deal in money should be nationalised. Whether it is banking or insurance, it has to be owned and controlled by the Government. (Interruption). Government is not so far away from the Swatantra Party.

The Swatantra Party is also part and parcel of the Government. We believe in the government; we want that everything, whether it is banks or life insurance or general insurance, should be owned and controlled by Government.

SHRI SAMBASIVAM (Nagapattinam): Cinema production also.

SHRI V. KRISHNAMOORTHY: He does not know what to say and what not to. He is just disturbing me.

Like human beings, any system like social structure in this country or in any other, has a heart as well as the arteries; they are the ingredients of the human body vital to its life. If there is any defect in the heart or in the blood transmission system, slowly the body will decompose and that will be the end of that human system. Likewise, so long as we allow private people to control the banking system, so long as we allow private industrialists, vested interests, to control the

[Shri V. Krishnamoorthi]

insurance system, the malady cannot be rectified.

The young members of the party in power, the 'young Turks' do not appear to be here at this time. They were demanding—I do not know whether they were simply fighting for getting some Minister-ship—they were demanding that banks should be nationalised and insurance should be nationalised (*Interruption*). Shri Randhir Singh is not a Young Turk, he is an Oil Turk. Barring the Swatantra Party, we sitting on these Benches, have been saying that Government should nationalise banking and insurance. But as you know, Shri Morarji Desai, who has got some interests of his own people, his own set of business people, vested interests, always dilutes it in such a way as to favour them. In the Banking Companies (Amendment), Bill brought in to introduce social control, he has suppressed the rights of the employees by the section 36AD which is known to everybody.

So also in this Bill, where is the control? Why not nationalise the industry? Who wants that it should not be nationalised? Congress people themselves and young and intelligent people want and demand that general insurance as well as the banking system in this country should be nationalised. Why does Government not accept the proposal? Is it to oblige my good friends to the right? Unless and until the banking system is nationalised, unless and until insurance is completely nationalised, they are not going to deliver the goods in this country.

SHRI P. K. DEO (Kalahandi): It can give employment avenues for defeated Congressmen.

SHRI V. KRISHNAMOORTHY: I have got my comments to offer on the working of life insurance business. The Third Five Year Plan has got so much of funds from the LIC. Hitherto the Dalmias, Birlas, Tatas and all the other big business were utilising the money for their own ends. After LIC came into the picture, the money secured from policyholders and collected by the insurance corporation has been diverted to projects intended for the welfare of the people of this country. Is that a sin? It is wrong to demand that gene-

ral insurance also should be nationalised? Why is Government not accepting it? It is because they are not real democrats. They are neo-colonialists. They do not believe in socialism. They believe only in capitalism coming, existing and prevailing in this country. But let me tell them; they are not going to avert the incoming revolution in this country if they go on to adopt the same sort of policy they have adopted and are adopting.

My observation is that this Bill is nothing but an eye-wash. It is cheating Parliament. He made an announcement in Parliament that he would bring Forward a Bill to bring about social control. But where is the control.

This Bill contemplates the appointment of a Controller of Insurance. I do not want that this power should be given to an individual, it should be given to Parliament, to the country collectively. If you give power to an individual, he will be corrupted, because man, as you know, is susceptible to corruption. His sons-in-law and daughters-in-law and all sorts of people will be benefited. (*Interruption*). You may see that he is appointed from your group.

SHRI P. K. DEO: It is only defeated Congressman who are appointed.

SHRI V. KRISHNA MOORTHY: Every Member of Parliament has received a printed communication with regard to the Oriental Fire Insurance Co., in which it is alleged that over a million rupees have been defalcated. Even when the Bill was introduced in Parliament, a letter was sent to the Controller of Insurance. What action has he taken over that? Has the Government conducted any investigation? We need not necessarily believe this information, but it is the duty cast upon this Government to dispel this misunderstanding. They have a duty to tell Parliament that it is not correct, or if the information is correct, the Government should make an enquiry into the working of this Insurance company.

Finally, I would like to say that these people, in the name of social control, are not going to deliver the tiger. They are

only delivering a paper tiger. This paper tiger is not going to kill the moneybags, is not going to kill the capitalists, but it will convert itself into a real tiger and bite them in the next election. In the name of the policyholders; in the name of the general public of this country, in the name of the poor people working in this institution, I demand that general insurance like life insurance should be nationalised. I demand that the banking industry should be nationalised. There is this inflationary trend in the country. Who is responsible for it? It is the people in authority who are responsible because there is no control over the circulation of money. As long as there is no control over the distribution of money, whether it is in the form of bank overdrafts or accommodation by private banks, this country cannot stop this inflationary trend. So, I say that this is nothing but an eye wash. They have failed to implement their declared policy of nationalisation of general insurance as well as banking.

श्री रणधीर सिंह (रोहतक) : चेयरमैन महोदय ;

गया दौर सरमायादारी गया,

तमाशा दिखा कर मदारी गया ।

ऐ कि तुझको खा गया सरमायादार हीलागर, शाख भ्राहो पर रही सदियों तलक तेरी बरात ॥ मकर की चालों से बाजी ले गया सरमायादार, इतहाए सादगी से खा गया मजदूर मात ॥

दिल्ली आते-आते रेलगाड़ी गाजियाबाद रुकी और बह उतर गये। सोशलज्म हमारा ध्येय है। लेकिन मैं उन घ्रादमियों में से हूँ कि जितना किया जाय उसकी तारीफ की जाय। यह फिज़ूल बोलने वाले मदारी हैं, यह डुगडुगी बजाने वाले मदारी हैं। इनकी पेटी में कुछ नहीं है। खोखले हैं ऊपर से लेकर नीचे तक। जो कुछ भी हैं काँग्रेस के पास है और काँग्रेस के मंत्री के पास है। और जो हमारे पास है वह हम दे रहे हैं।... (व्यवधान) मैंने पहले कह दिया कि जो ध्येय है वह नहीं हो रहा है। लेकिन 95 फीसदी जो बात कह रहे हैं उसको कर रहे हैं तो उसकी तो साबासी दो। मैं चाहता हूँ और पूरे

जोर से चाहता हूँ कि हमारे देश में सोशलज्म हो और सो फीसदी सोशलज्म हो। जब तक इस देश का एक-एक बड़ा कारखाना, टी-प्लान्टेशन, इम्पोर्ट-एक्सपोर्ट यह सब...

श्री म० ला० सोंधी (नई दिल्ली) : माइकेल स्टुअर्ट को क्यों बुलाया है? क्या भूल गए 1965 में क्या हुआ था और आज उसको फिर बुला रहे हैं...

श्री रणधीर सिंह : यह घ्रादत से लाचार हैं।

श्री म० ला० सोंधी : घ्रादत से लाचार नहीं हैं। कुछ समझ भी आनी चाहिए।

श्री रणधीर सिंह : यह सयाने बड़े हैं लेकिन बावलों की तरह से कभी-कभी बिहेव करते हैं। सारा सयानान छोड़ देते हैं और उछल पड़ते हैं... (व्यवधान) चेयरमैन महोदय, इनको ठीक नाराजगी है क्योंकि मैं सरमायेदार की हिमायत नहीं करता...

श्री म० ला० सोंधी : एक तरफ माइकेल स्टुअर्ट को बुलाते हैं और दूसरी तरफ टी-प्लान्टेशन पर से सरमायेदारों को हटाना चाहते हैं। कैसे हटा सकते हैं? श्रीमन्, क्या आप गत बात बर्दाश्त कर सकते हैं? केरल में कितना टी-प्लान्टेशन है यह आप जानते हैं और वह कितने हाथों में है? माइकेल स्टुअर्ट को किसलिए बुलाया?

MR. CHAIRMAN : He is not yielding. You please resume your seat.

SHRI M. L. SONDHY : But the House should not be misled. He is misleading the House.

MR. CHAIRMAN : The point is that the hon. Member is not yielding. He is on his legs.

श्री रणधीर सिंह : एक किसान एक दुकानदार के सामने ईल्ड करे यह कैसे हो सकता है?

श्री ज० ला० सौधी : यह गलत बात हो रही है। दुकानदारी की बात यहाँ नहीं है। समझ की बात है।

श्री रणधीर सिंह : चेयरमैन महोदय, मिस्टर सौधी मेरे दोस्त हैं। यह कभी-कभी बीच में दखल दे देते हैं तो उनको जवाब देना पड़ता है।

असल बात यह है कि जब तक मुकम्मिल तौर पर कौमी मिलिकयत यह नहीं बन जायेगा तब तक यह शोर इस देश में रहेगा। मेरा दिली यकीन है कि जितनी यह पैसे की एजेंसीज देश में है, जो इदारे है, चाहे बैंक हैं या इन्श्योरेंस है, एल० आई० सी० आपने नेशनल-लाइज कर दिया, बड़ी मेहरबानी की, एल० आई० सी० की छोटी बहन यह जनरल इन्श्योरेंस है, यह रुपयों का भंडार है इसको चंद भ्रादमियों के बजाय देश के लिए इस्तेमाल किया जाय और उसमें से भी 80 फीसदी रुपया देहात के लिए लगाया जाय। मेरी एक भ्रादत है, आप जानते भी हैं।...

SHRI V. KRISHNAMOORTHY : We are all supporting your policy.

श्री रणधीर सिंह : यह लोग सारे मेरी मदद कर रहे हैं, मेरी मुखालिफत नहीं कर रहे हैं।

तो सोशल कंट्रोल जो है, सोशल कंट्रोल का जो नारा है, चेयरमैन महोदय, गाजियाबाद तक गाड़ी आ चुकी है। मुकम्मिल नेशनल-जेशन होगा तो दिल्ली पहुँच जायगी।

MR. CHAIRMAN : I hope the hon. Member will proceed to Delhi now.

श्री रणधीर सिंह : अब दो चार बात में देहात के सिलसिले में कहना चाहता हूँ। यह जो जनरल इन्श्योरेंस है यह सरमायेदारों का चाँचला है। मुट्टी भर भ्रादमी हैं, फार वाले हवाई जहाज वाले, बड़े-बड़े कारखाने वाले, उन्हीं की जेब में यह जनरल इन्श्योरेंस है।

मैं चाहता हूँ कि यह जनरल इन्श्योरेंस किसान की जेब में, गरीब हरिजन की जेब में, लैंडलेस लेबर की जेब में, और जो 80 फीसदी देहात के गरीब भ्रादमी हैं उनकी जेब में जाय। यह हमारा जो रुपया है, करोड़ों क्या भरबों रुपया भ्राता है, उनकी जो रिस्क कवर्ड है वह तो मिल गया बाकी जो रुपया है, यह उन मुट्टी भर भ्रादमियों का रुपया नहीं है, यह रुपया नेशन का है। वह रुपया नेशनल डनेलपमेंट के लिये, रूरल डवेलपमेंट के लिये लगना चाहिये और जैसी एल० आई० सी० के लिये एक कमेटी बनी थी कि एल० आई० सी० में क्या क्या खामियाँ हैं और ए० आर० सी० की भी एक कमेटी बनी, उसी तरह की एक कमेटी जनरल इंशोरेंस के लिए बनाई जाय। चेयरमैन साहब, इसमें बड़ा गोलमोल है, बड़ी बदउतनवानियाँ हैं, इरेगुलरिटीज हैं, मैं चाहता हूँ कि ए० आर० सी० से कहा जाय कि वह इनके बारे में अपनी रिपोर्ट दे कि कैसे इनके फंक्शनिंग को सुधारा जा सकता है, इनके रुपये की इनवर्ड एजेन्सी बनाने के लिये, सारे देश में कैसे इन पर कंट्रोल किया जाय।

एक खास बात जिसे मैं इस मौके पर अर्ज करना चाहता हूँ, वह यह है कि जनरल इंशोरेंस के मैसेज को हर एक किसान के पास, हर एक हरिजन के पास, देहात के एक-एक घर में पहुँचाना चाहिये। जनरल इंशोरेंस का अब तक जो काम हुआ है, वह मुल्क के सिर्फ पांच फी सदी लोगों में हुआ है जो सिर्फ शहरों तक ही महदूद है—दिल्ली, कलकत्ता, बम्बई और मद्रास जैसे शहरों तक महदूद है। मैं चाहता हूँ कि इसका काम अब देश की 80 फीसदी भ्रावादी में यानी देहातों में होना चाहिये।

चेयरमैन महोदय, मेरी जो तमन्ना है, घाप उसकी तारीफ करेंगे। मैं चाहता हूँ कि गरीब हरिजन जो भेड़-बकरियाँ पालता है, गरीब जुलाहा जो सुअर पालता है, हर एक किसान

जो गाय-भैंस पालता है, ट्रैक्टर रखता है, उनकी इन तमाम चीजों का जैनरल इंशोरेंस हो। जितने भी गरीब लोग देहातों में रहते हैं, वे सब जैनरल इंशोरेंस से कवर हों। लेकिन यह तब तक मुमकिन नहीं है जब तक कि यह चीज देहातों में पहुँचे। अब देहातों में कैसे पहुँचे—मेरे दोस्त ने वाजिब बात कही थी इनके एजेन्ट्स, इनके डवेलपमेंट अफसरों की फौज को देहातों में लगाया जाय, लेकिन यह बात भी सही है कि वे लोग वहाँ पर कमीशन पर काम नहीं कर सकेंगे। आपकी मारफत मेरी मिनिस्टर साहब से दरख्वास्त है मैं एक तजवीज पेश करना चाहता हूँ देहात में चूँकि काम ज्यादा सस्त होता है, वे लोग पैसा भी नहीं दे सकते हैं, उनकी माली हालत कमजोर है, वहाँ चूँकि ज्यादा फिरना पड़ेगा, ज्यादा दिक्कतें आयेंगी, इसलिये एजेन्ट्स को तनख्वाह पर मुक़ारर किया जाय, कमीशन से काम नहीं चलेगा—ऐसा इन्तजाम वहाँ पर आपको करना चाहिये।

दूसरी बात—मैं यह अर्ज करना चाहता हूँ कि देहातवालों को आप कुछ इन्सेन्टिव दीजिये। इन्सेन्टिव किस काम के लिये दिया जाय—कर्ज के लिये दिया जाय, रूरल डवेलपमेंट के लिये दिया जाय, रूरल इलैक्ट्रिफिकेशन के लिये दिया जाय, इरिगेशन के लिये दिया जाय, ट्रैक्टर खरीदने के लिये दिया जाय। अगर देश की पैदावार बढ़ाने के लिये किसान ट्रैक्टर खरीदना चाहता है, पम्पिंग सैट खरीदना चाहता है, ट्यूब-वेल लगाना चाहता है तो सरप्लडर बैल्यूवाली बात उसके लिये नहीं होनी चाहिए। दिल्ली में बैठकर एक सरमायेदार 500 रु० दाखिल करके मकान बनाने के लिये प्रोन-योर-हाउसिंग-स्कीम के नेहत एक लाख रुपये का कर्जा ले सकता है, लेकिन देहात का गरीब हरिजन, गरीब किसान एक पैसा नहीं ले सकता है—अब सरमायेदारों की जो लौण्डी जैनरल इंशोरेंस है यह शहरों से निकल कर

देहातों में पहुँचनी चाहिये और ये तमाम फँसिलिटीज गरीब किसानों को भी मिलनी चाहिये।

इस सिलसिले में एक इन्सेन्टिव तो मैं यह चाहूँगा—चूँकि देहातों में इन्कम इरेगुलर होती है, चाहे मजदूर हो या किसान हो, आपके प्रिमियम की प्लान इस किस्म की होनी चाहिये कि उसको दिक्कत न हो। अगर कभी वह किश्त भ्रदा न कर सके, तो उसकी पोलिसी लैप्स न हो, एक साल, दो साल तक लैप्स न हो, वह तीसरे साल या चौथे साल में उस रुपये को भ्रदा कर सके।

चौथी बात मैं यह अर्ज करना चाहता हूँ कि इसमें बहुत सी बेनामी एजेन्सीज बनी हुई हैं। अगर कोई खुद सरकारी मुलाजिम है तो उसने चौधरन को या अपने किसी रिश्तेदार को एजेन्ट को बना रखा है, इस किस्म की जो बेनामी एजेन्सीज हैं और रिबेट के सिलसिले में जो मेलप्रेक्टिसिज हैं, उनको रोका जाय, इससे निकाला जाय। मैं समझता हूँ कि अगर इनको इससे निकाल दिया जाये तो जैनरल इंशोरेंस का बहुत भला होगा।

मैं, जनाब, मिनिस्टर साहब को बधाई देता हूँ कि वह यह बिल यहाँ लाये अभी पहले एग्रीकल्चर क्रेडिट कारपोरेशन का बिल लाये थे, वह भी बहुत शानदार बिल था और अब यह जो बिल आया है, यह उससे भी शानदार बिल है और मैं समझता हूँ कि यह हमारी तीन-चौथाई कामनाओं को पूरा करता है, बल्कि मैं तो यह उम्मीद करता हूँ कि यह हमारी सौ फीसदी कामनाओं को पूरा करेगा इसके लिये मैं उनका शुक्रिया भ्रदा करता हूँ।

SHRI NAMBIAR (Tiruchirappalli) : Sir, the hon. member who spoke just now did not understand a word of the Bill. He made a sermonising speech about peasants, buffaloes and incentives. The fact is that there was so much of demand for nationalisation of general insurance that the Congress High Command thought that instead of nationalisation, they would bring in social control. This sort of social control

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is going to be of no use because it will remain in law only and it is not going to have any effect. Are we going to accept this sort of social control? What is the reason for the nationalisation demand? A little reflection over the performance of these insurance companies will reveal the facts.

I will quote only a few instances to save time. The New Great Insurance Company of India, owned by Mr. Tulsidas Kilachand, had assets to the tune of Rs 60 lakhs in 1947. This figure rose to Rs. 156 lakhs in 1957 and to Rs. 400 lakhs in 1967—a seven-fold increase in 20 years. The Ruby General Insurance Company, owned by Birlas, had assets worth Rs. 1.13 crores in 1957, which rose to Rs. 2.87 crores in 1967. It has doubled in 10 years. This shows what kind of loot takes place. I will give the dividends of the leading insurance companies. Concord of India 20 per cent; Hercules 27½ per cent, which belongs to Goenkas; Ruby General Insurance Company 18¾ per cent; Triton 50 per cent, which belongs to the Goenkas; New India, which belongs to Tatas—40 per cent, Universal Fire Insurance Company 20 per cent, and Vulcan 20 per cent.

If they can give so much dividends, you can understand how much they would have looted. I am speaking about the way in which money has been concentrated in fewer hands through the instrument of general insurance.

I will give the profitability of insurance companies in liquid cash. Concord of India—paid-up capital Rs. 13.50 lakhs, profits Rs. 5.78 lakhs in one year. Hercules—paid-up capital Rs. 24 lakhs, profits in one year Rs. 15.26 lakhs, almost equal to the capital. Ruby General—paid-up capital Rs. 32 lakhs, profits in one year Rs. 18.76 lakhs. Triton—paid-up capital Rs. 5.75 lakhs, profits in one year Rs. 6.29 lakhs, i.e. more than the capital. New India—paid-up capital Rs. 170.90 lakhs, profits in one year Rs. 177.99 lakhs.

In Vulcan, Rs. 15.99 lakhs is the paid-up capital while its profit was Rs. 6.05 lakhs. I do not know as to how this plundering was going on? Whose money is it that is being concentrated in these hands? It is the people's money. You

can say that it is in the name of general insurance or in the name of banking or some other name that this concentration takes place. And it is exactly for this reason that the country wanted nationalisation but my friend Shri Randhir Singh says that the money should go to the poor. This Bill will not come to the help of the poor. You are not touching a pie of it. What you have done is that in order to avoid the nationalisation of these companies, you are helping these looters in the name of what is known as social control. That is exactly the reason why we are opposed to this and we want a real nationalisation worth it and we want the people to have the benefits.

SHRI K. C. PANT : Don't mislead.

SHRI NAMBIAR : I am not misleading. But, if you are prepared to believe, by undertaking this measure you are helping these people because they in turn help you to be in power (*Interruptions*).

SHRI RANDHIR SINGH : I can also give you hundreds of names.

SHRI NAMBIAR : It is a mutual agreement they want to have the Controller with an Advisory Committee of seventeen people. Who are these seventeen people? They are representatives of different companies who are themselves the looters who are to be in the Advisory Committee and four members of the foreign companies who are the super-looters. Why should these foreign companies be advisers of our Indian Companies? I cannot understand this. They are concentrating on marine insurance. And it is in the marine insurance where the maximum malpractice takes place. It is they, if they want, who can swallow the whole thing from four ships loaded with all the cargo. There is such a sort of party being represented in the Advisory Committee and it is they who are looters. The Controller knows as to how a perfect looting should be done with the marine insurance experts at their command for this looting. This is the crux of it. Let us be plain and let us tell the people as to what we are doing. Let us not dupe everybody. It is not possible to



do that. Everybody knows what is happening nowadays.

Sir, coming to the question of the whole concept of it, the nationalisation came in after Vivian Bose Commission's report. In the Vivian Bose Commission's report, you will find what he had to say in page 509. I have no time to quote it. But, what he said is that whatever be the insurance companies, Dalmia did a perfect looting in a very very systematic way. He did it in this way. Rs. 1.25 crores of liquid cash of the insurance companies was transferred to the Dalmia Cement and Paper Marketing Company without any secured advances at all—a paper transaction. The Vivian Bose Commission said : what a terrible—notorious—plunder it is, is this the way in which the whole thing should continue ? Therefore, he highlighted the tragedy of the people who are victims of this swindling. Therefore, we must understand that there is a case for nationalisation. They are going to do this nationalisation by having the composition of this advisory committee. I tell you it is no use having the Advisory Committee as it will not give any effective control or check. Then comes the Consultative committee which is a nominated committee. What is that consultative committee going to do ? It may advise on the issues of policy matters if at all the policy matters of a certain company are to be taken up. Why this taking over at all ? What are the clauses given here ? I do not want to quote the clauses now because in the next reading, I shall come to them. They have said that the compensation should be paid at the market value or face value whichever is higher. The face value is an imaginary value. I have a pair of shoes. I can say that its face value is Rs. 1,000. Who is there to say that it is not so ?

**SHRI PILOO MODY (Godhra) :** Only Communists can afford to wear shoes costing Rs. 1,000.

**SHRI NAMBIAR :** Normally, a coat costs Rs. 100. Suppose Shri Piloo Mody says that his coat costs Rs. 2,000, because it is the biggest coat worn by the biggest man in the House, how could you question that statement ? Therefore, to have a provision that the assets and liabilities

will be taken over at the market value or the face value, whichever is higher, is absolutely wrong. Of course, I do not say that the whole thing has to be confiscated. No, I do not go to that extent now. Perhaps at a later stage, I may say that. Now, I say, please pay compensation, by all means, but let it be limited to the paid-up capital.

I know that it is very difficult to improve this Bill. So, whatever suggestions we are giving are only for our satisfaction. The Bill cannot be improved upon. Take the case of taking over for non-compliance with the legal provisions, mismanagement or some other reason. You have to pay full compensation. Of course, you have advisers. But what will they do ? If it is the Bharat Insurance Company, its representative will come and sit on the advisory committee. They will manipulate their account books in such a way, their assets and liabilities will swell up to such an extent that they will deliberately create a case for nationalisation, for taking over, so that they can get a huge amount as compensation, which is dis-proportionate to the real assets of the company. The account books and the provisions relating to taking over will be so manipulated with the help of the advisory committee in such a way that there again the loot can be made. Thus, this is absolutely an enabling provision for the looters to continue their loot. Instead of doing any good to the people, it will terribly harm the interests of the nation.

The best way to get out of all this difficulty would be complete nationalisation. You may withdraw this Bill and bring a new one. If you are not prepared to do that and you are agreeable only to make some changes here and there, my only suggestion is that in the advisory committee the representatives of employees and Parliament should be there and there should be no representation for the foreigners.

I know full well that it is impossible to improve this Bill. Still, I am making some suggestions for my own satisfaction. The condition of the employees of general insurance are very bad and their service conditions should be improved. Even though these insurance companies have been looting the people all these years, yet they

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have not taken the trouble of giving even their employees some minimum remuneration and benefits. It is twenty years since we have achieved freedom. Are we to allow these things to continue still ?

Are we to tell the people that the train is still at Ghaziabad and it has not reached Delhi ? Actually, the position is a little different. The train is not at Ghaziabad; only its splinters are available. When even the rails are not to be found, how can the train be found ? It is not seen at all.

Therefore, do not create a situation where the entire people will be against you. They know very well that unless a radical change is made nothing will improve. So, they would be well advised to withdraw the Bill and bring a new measure for nationalising the insurance industry. Then you can proudly tell the people "we have done it." Or else, I warn them, the Government and the party in power will face their death at the anger of the people of this country.

श्री श्रीकार लाल बोहरा (चित्तौड़गढ़) : सभापति महोदय, मैं श्री नम्बियार के इस नाटकीय भाषण को सुन कर बड़ा खुश हो रहा था। मुझे ऐसा लग रहा था कि वे संसद में जितने अच्छे ढंग से हम लोगों को कन्विस करने के लिये नाटकीय ढंग से बात कर रहे हैं, अच्छा होता यदि यही तरीका जनता में भी, जब कि वे वोट लेने जाते हैं, उस समय प्रस्तुत करते। साम्यवादी पार्टी के हमारे मित्र यहाँ पर अपना जोश खर्च करके हम लोगों को कन्विस करने के लिये, अपनी बान समझाने के लिये, जितनी शक्ति लगाते हैं, अगर उतनी ही शक्ति जनमत तैयार करने में भी लगायें तो शायद वे आपकी बात ज्यादा समझ सकेंगे।

सभापति महोदय आपके द्वारा सामान्य बीमे के सम्बन्ध में यह जो बीमा (संशोधन) विधेयक आया है उसका मैं स्वागत करना चाहता हूँ। काफी लम्बे समय से इस बात की मांग बड़े जोरों से उठाई जा रही थी कि सामान्य बीमे का भी राष्ट्रीयकरण किया जाय। जैसा कि सबको विदित है यह बीमे का

जहाँ तक सवाल है यह हमारा राष्ट्रीय प्रश्न है और वह हमारा एक सामाजिक विषय है। अब सामाजिक या सार्वजनिक विषयों को यदि हम नियन्त्रित करते हैं तो यह संसद का और हमारे देखने का अधिकार है कि घूँक करोड़ों लोगों का भविष्य उसके साथ जुड़ा हुआ है तो उसका लाभ भी करोड़ों लोगों को मिलना चाहिये। जीवन बीमा निगमके राष्ट्रीयकरण करने की बान हमारे देश में हाल के वर्षों में तेजी के साथ बढ़ी है। सामान्य बीमे का व्यवसाय भी बड़ी तेजी से बढ़ा है और वह इसलिये भी बढ़ा है कि इन पिछले 20 वर्षों में लगातार व्यापार बढ़ा है, यातायात बढ़ा है, व हमारे साधन, मुविधाएँ आदि भी बढ़ी हैं। इन पिछले 20 वर्षों में जो जीवनस्तर ऊँचा हुआ है, हमारे देश का जो उत्पादन बढ़ा है व प्राथिक साधन बढ़े हैं उसको देखते हुए यह सही बात है कि सामान्य बीमे के कारोबार में भी बड़ी प्रगति हुई है। लेकिन क्या जरूरत पड़ी कि इस सामान्य बीमे के व्यवसाय के राष्ट्रीयकरण करने की मांग प्रबल हो उठी ? श्रीमन् मैं उस भूमिका में जाना चाहता हूँ कि जब हमारा उद्योग और हमारा व्यापार किन्हीं व्यक्तिगत स्वार्थों की पूर्ति के लिये या संकीर्ण स्वार्थों की पूर्ति की दिशा में आगे बढ़ता है तो जनता में उसको लेकर एक असन्तोष पैदा होता है। हम जिस प्रजातन्त्र में जी रहे हैं, हम जिन करोड़ों लोगों की बात को और उनकी आवाज को बुलन्द करते हैं, जिन करोड़ों लोगों का प्रतिनिधित्व करते हैं और जिस तरीके के प्रजातान्त्रिक वातावरण में हम चल रहे हैं उसमें कोई भी उद्योग या कोई भी व्यापार यदि उस का दृष्टिकोण जनोन्मुखी नहीं होगा यदि उस का दृष्टिकोण जनता के प्रति सहानुभूतिपूर्ण नहीं होगा, उदारतापूर्ण नहीं होगा तो निश्चित बात है कि उसकी प्रतिक्रिया होगी और वह प्रतिक्रिया हमें निश्चयी पड़ेगी और उसको

देखना होगा। जैसा कि मैं आप से निवेदन कर रहा हूँ कि हमारे देश में सामान्य बीमे को लेकर एक जबरदस्त प्रतिक्रिया हुई और लोगों को ऐसा लगने लगा कि उसका राष्ट्रीयकरण होना चाहिये। मैं समझता हूँ कि इसका राष्ट्रीयकरण आज नहीं तो कल को अवश्य होने वाला है क्योंकि राष्ट्रीयकरण के बिना हम साधारण जनता जो साधारण पालिसी होल्डरों को वह रियायतें नहीं दे सकते हैं जो कि इसके द्वारा हम उन्हें दे सकते हैं। मैं इसलिए इस राष्ट्रीयकरण की भूमिका के रूप में जो आज इस सामान्य बीमे का सामाजिक नियन्त्रण लागू हो रहा है उसका मैं हादिक स्वागत करता हूँ।

16.41 hrs.

[Mr. Deputy-Speaker in the Chair]

उपाध्यक्ष महोदय, जहाँ मैं समझता हूँ कि इस बिल में कुछ अच्छाइयाँ हैं वहाँ कुछ इसमें कमजोरियाँ भी रह गई हैं। डिपॉजिट की जो इसमें शर्त रखी गई है मैं उसका स्वागत करता हूँ लेकिन इस डिपॉजिट की शर्त के साथ-साथ किशोरों में देने की जो सुविधा दी गई है उसमें यह बात ध्यान में रखने लायक है कि कई ऐसी बोगस कम्पनियाँ होती हैं जो कि इसका नाजायज लाभ उठा सकती है। इसी तरह इसमें कुछ बातें ऐसी हैं जैसे कंट्रोलर जा कर अचानक कम्पनी की जांच कर सकता है, मैं उस का स्वागत करता हूँ। इसी तरह प्रीमियम की दरें निश्चित करने के बारे में जो अधिकार दिया गया है उसका मैं स्वागत करता हूँ। लेकिन कंट्रोलर को जो अपरिमित अधिकार दिया गया है मैं समझता हूँ कि हमारे देश का जो ढाँचा है उसमें इस तरीके के अपरिमित अधिकार देने से नौकरशाही मनोवृत्ति को बढ़ावा मिलता है। हमारी बहुत सी पब्लिक अफ़ेयर्स इसी तरह नुकसान में जा रही हैं। मैं उन लोगों में से हूँ जिन्होंने सदा सार्वजनिक उद्योगों का समर्थन किया है लेकिन मुझे अफ-

सोस के साथ कहना पड़ रहा है कि हम कई बार इसके पहले कि हम सार्वजनिक सेवा में सार्वजनिक उद्योगों में काम करने वाले, ऐसे सेवा भाव से काम करने वाले व्यक्तियों का एक मिशन तैयार करें उसमें पहले ही हमारे अंग्रेज महाप्रभुओं के जमाने से सामान्य ढंग से निकली हुई इस नौकरशाही के द्वारा सार्वजनिक उद्योगों का संचालन करवाते हैं, हम सार्वजनिक उद्योगों में उन्हें बड़ा, बड़े से बड़ा पद देते हैं जिस का कि परिणाम यह हो रहा है कि हमारा उद्देश्य चौपट होता जा रहा है। इसलिए मैं निवेदन करना चाहता हूँ कि कंट्रोलरों को जो यह अपरिमित अधिकार दिये गये हैं उसका कहीं न कहीं नियन्त्रण होना ही चाहिए। उस के नियन्त्रण का एक ही तरीका है और वह यह कि जो एडवाइज़री कमेटी आप बनाने जा रहे हैं उस एडवाइज़री कमेटी का चेयरमैन हम कंट्रोलर को न बनायें। उस एडवाइज़री कमेटी का चेयरमैन कोई देशका ख्यातिप्राप्त जज या देशका कोई उच्च स्तर का नेता हो, हमारी संसद का सदस्य या कोई ऐसा व्यक्ति होना चाहिये जोकि तटस्थ व निष्पक्ष हो। इस लिये मैं चाहूँगा कि परामर्शदात्री समिति के अन्दर संसद के प्रतिनिधि हों, पालिसीहोल्डरों के प्रतिनिधि हों, जनता के प्रतिनिधि हों और एजेण्टों के प्रतिनिधि हों। एक तरीके से वह कम्पोजिट बीडी हो जिसमें कि सबका प्रतिनिधित्व हो सके। ऐसा होने पर मैं समझता हूँ कि चाहे वह साल में चार बार बैठे, तीन बार बैठे तभी सचमुच में वह इस बीमे के अन्तर्गत इस सामान्य बीमे से सम्बन्धित हजारों लोग जो कि इस देश में काम कर रहे हैं उनको लाभ पहुँच सकेगा।

आजकल इस सामान्य बीमे के बारे में सब से बड़ी शिकायत जो रही है वह यह रही है कि इसमें गलत व अनुचित ढंग से रिबेट दिया जाता है। यह रिबेट की मनोवृत्ति है जिसने कि इस व्यवसाय की साल को घटाया है। इस व्यवसाय की साल को घटाने में इस रिबेट ने बहुत जबरदस्त काम किया है इस लिये मैं

[श्री श्रीकारलाल बोहरा]

चाहता हूँ कि यह रिबेट देने की जो प्रणाली है उसको समाप्त किया जाये।

आज जो प्रीमियम है और जैसा कि मैंने निवेदन किया कि यह व्यवसाय बहुत अधिक बढ़ गया है, हमारे देश का स्टैंडर्ड इन पिछले वर्षों में बढ़ा है और व्यवसाय इतना अधिक बढ़ा है कि हम व्यवसायियों के और छोटे व्यापारियों के उत्पादन को इधर-उधर ले जाने में जो प्रीमियम की दर हम पे करते हैं उन दरों का रिवीजन होना चाहिये। यह प्रीमियम की दरें जो कि बहुत पुराने जमाने से तय की हुई हैं मैं चाहूँगा कि यह प्रीमियम की दरें अगर ज्यादा नहीं तो कम से कम 15 प्रतिशत यह प्रीमियम की दरें घटाई जायें। साथ ही प्रीमियम की दरों के सम्बन्ध सारे संसार की प्रीमियम दरों को देखते हुये उन के बीच में एक सन्तुलन कायम किया जाय। देश में प्रीमियम की दरें समान हों यह मेरा खास निवेदन है।

इस सम्बन्ध में मैं यह भी कहना चाहूँगा कि फायर एण्ड मैरिन में आपने पांच परसेंट कमीशन की व्यवस्था की है लेकिन मोटर में आपने दस प्रतिशत की व्यवस्था की है। मैं चाहूँगा कि आप कमीशन की दर पांच प्रतिशत रखें लेकिन कम से कम रिबेट को तो आप कम करें, प्रीमियम की दरें कम करें और यदि आप ऐसा करेंगे तो मैं समझता हूँ कि साधारण पालिसीहोल्डरों को इस से बहुत लाभ होगा।

इस व्यवसाय में बोगस एजेन्सियां बहुत स्थापित हो गई हैं जिन का कि नियन्त्रण किया जाना चाहिये। मुझे इस सम्बन्ध में अधिक नहीं कहना है। एक ही बात कह कर मैं अपना स्थान ग्रहण कर लेना चाहता हूँ कि यह एक बड़ी चिंता व अफसोस की बात है कि रिइन्श्योरेन्स के कारण वह विदेशी कम्पनियां हमारे हिंदुस्तान का करोड़ों रुपया बाहर ले जाती हैं इसलिये मैं समझता हूँ कि उस पर नियन्त्रण होना चाहिये ताकि यह रिइन्श्योरेन्स के द्वारा जो हमारा करोड़ों रुपया विदेशों में जा रहा है,

विदेशी पूंजी के रूप में बाहर चला जाता है उस पर हम नियन्त्रण कर सकें। इन्हीं शब्दों के साथ मैं अपना स्थान ग्रहण करता हूँ और मैं आप का बड़ा अनुग्रहीत हूँ कि आप ने मुझे बोलने का समय दिया।

SHRI S. M. KRISHNA (Mandya) : Mr. Deputy Speaker, Sir, if evidence was needed about the false notions of Congress socialism, here we have yet another evidence. The whole trouble with the Congress Party inside the Parliament as well as outside is that they do not really believe in socialistic principles.

In 1955, when the grand *rajmashar* of the Congress Party met in Avadi, they got themselves converted into a socialist organisation. So they said, so they proclaimed and so they got the needed publicity. After all, we have reached a stage wherein socialism has become a salable commodity. It has become a commodity which can be sold to the people of India. So, naturally, the Congress Party sold that and, today, they are putting on a false grab of representing a socialistic party.

Subsequent to 1955, the Congress Party again passed the 10-point resolution, the nationalisation of banking system, the abolition of privy purses, the nationalisation of general insurance, etc. Only the other day, the Home Minister of the Government of India was threatening to come before this House with a draft Bill for the abolition of privy purses which are one of the last vestiges of feudalism in this country. But today we have no illusions about it. The Government is not serious about the abolition of privy purses. And we know, by now, that they are not serious about nationalisation of the banking system because, in order to get away from the pressures—both from within and from outside pressures were mounting; the people were hankering for nationalisation of the banking system—they have evolved this clever method, this social control. Social control might do a great harm; it may not help the country. After all, what is the idea in this? When we have always pleaded, when we have always canvassed, support for the theory of nationalisation,

we have meant to say, we have meant to convey, that the wealth of the country has to be ploughed back into the developmental activities of this country. We know that, after life insurance was nationalised, a great part of the moneys of the Life Insurance Corporation have been ploughed back into the rural areas of this country into the rural economy this country and it cannot be denied that the Life Insurance Corporation could be run even more effectively, more efficiently, but unfortunately we have an inefficient Government here, we have a government here which does not do things properly; naturally, this is reflected in all the undertakings that the Government has undertaken. The Life Insurance Corporation has, no doubt, done fairly well in the last ten years, and there is still a great scope for improvement, there is still a great scope for further expansion, so that the men in the rural areas could feel the usefulness of the life insurance idea.

Now, coming to the Bill that is before the House, this Bill was referred to a Joint Committee and at that time it was an extraordinary procedure that was followed. Usually when a Bill comes before the House, there will be a full-dress debate about the concept, about the policies, and then if necessary, it is referred to a Committee. But an extraordinary step was taken so far as this important piece of legislation was concerned. On the 8th April, the Bill was introduced in the Lok Sabha and without any debate, it was referred to the Joint Committee...

**SHRI K. C. PANT :** That is often done.

**MR. DEPUTY-SPEAKER :** That is done with the concurrence of the Business Advisory Committee.

**SHRI S. M. KRISHNA :** The only point that I have been struggling to make is this. This is a very important piece of legislation, and one more debate in the Lok Sabha would not certainly have done any harm to this legislation, would not have done any harm to this Bill.

When I was listening to the arguments advanced by Shri C. C. Desai, the spokesman of the Swatantra Party, I was hoping that I would be convinced to his way of

thinking when he made certain points. Of course, my friend from Madras, Shri Krishnamoorthi, has ably represented the socialist thought. But so long as the present Government is in power, so long as they continue to be in power, we cannot really expect anything substantial in the direction of socialist legislation in this country.

Now, there is the concept of the Controller. Much was made about the powers that the Controller has been given under the revised Bill. There is a Consultative Committee, and on the Consultative Committee all the big general insurance companies would be fairly represented. And added to that, as Mr. Nambiar put it, there will be four representatives representing the overseas insurance companies also. I cannot see the logic of this. I would like to submit to the Minister for consideration that these overseas insurance companies ought to have been treated on a separate footing, but that has not been done; much of the moneys that goes into the overseas insurance companies is being drained away to foreign countries the general body meetings are held in the headquarters of the company in whichever country they are located, there are not many Indian directors in all these overseas insurance companies. That is a serious matter for the Finance Minister and for this House to consider. It has been said in this Report that the Chairman of the Consultative Committee would be the Controller. This would certainly defeat the very purpose for which the Consultative Committees have been created. When he happens to be the chairman and when his acts are going to be questioned or debated, naturally there would not be free and fair debate. So it has been suggested by some members that an independent and outside person has to be nominated as Chairman of the Consultative Committee. Probably under his leadership there would have been a greater degree of freedom and there would have been greater fairness in deciding some of these questions. It is necessary that the controller has to be armed with certain powers; otherwise these vested interests, who are the sharks, will make incement of the controller. Therefore, the controller must be armed with certain powers. I am happy that he is given some powers, but it all depends upon what type of controller

[Shri S. M. Krishna]

we are going to nominate, or who are going to be appointed. If it is a question of appointing defeated politicians, discredited politicians, as they have done in respect of the State Trading Corporation, the Food Corporation, and all that, then, Sir, no useful purpose will be served. Even now, at this stage, I submit that the Chairman must be an outsider and he should command great respect in the country. With these words, I would request the Government to withdraw this Bill and then take a bold step in piloting another measure which would stand for total nationalisation of the general insurance business.

SHRI BEDABRATA BAURA (Kaliabor) : Sir, considerable interest has been aroused in the country on the issue of social control of insurance and also of banking because of the resolution of the congress working committee that demanded nationalisation of insurance business. There have been various malpractices of these companies and this is one of the reason for the plea for the nationalisation of life insurance business. The objective of social control, as has been laid down in this bill, is a laudable one. But it has a limited scope when it says that it will give a fair premium rate and it will bring down malpractices and that it will look to the interest of the society and not that of the individual and such other objects. But the point to consider is whether and under what context we have thought of the nationalisation of insurance and to what extent these proposals serve that interest. Our party certainly is not working at cross purposes when we want social control of insurance. Let us hope that social control can only be to progressively bring down the concentration of wealth. The larger aim in the context of the Fourth Plan can be the mobilisation of resources and it is on these points that this Bill does not go to that extent as one would like. So far as the investible resources are concerned the amount of premium income which insurance companies mobilised, was Rs. 75 crores. It is not a question of 5 crores or 2½ crores, or not even the question of profitability. Here is a premium income, investible income, of Rs. 75 crores, out of which only Rs. 15 crores is with the public

sector and an equal amount, another Rs. 15 crores, is with the foreign companies. Now, this social control must be judged within the limited objective...

MR. DEPUTY-SPEAKER : He may resume on the next occasion. We will take up the other item on the order paper.

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17.00 hrs.

MOTION RE : STATEMENT ON DROUGHT CONDITIONS IN THE COUNTRY—Contd.

MR. DEPUTY-SPEAKER : We will now take up further consideration of the Motion regarding the Statement on drought conditions in the country. Ten minutes to each hon. Member. Shri Nahata.

THE MINISTER OF STATE IN THE MINISTRY OF FOOD, AGRICULTURE, COMMUNITY DEVELOPMENT AND COOPERATION SHRI ANNASAHIB SHINDE : How much time is now fixed ?

MR. DEPUTY-SPEAKER : One hour including reply. We have spent more than two hours already and we should finish the discussion today. After that there is a half-hour discussion.

SHRI ANNASAHIB SHINDE : I must have adequate time to reply, at least 25 minutes.

MR. DEPUTY-SPEAKER : Yes.

SHRI NAVAL KISHORE SHARMA (Dausa) : This was discussed for four hours in the Rajya Sabha. We should have more time. The present allocation is too little.

MR. DEPUTY-SPEAKER : Let us proceed instead of wasting time.

SHRI RAJASEKHARAN (Kanakapur) : The half-hour discussion can be postponed.

MR. DEPUTY-SPEAKER : No.